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FINANCIAL TIMES

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Wednesday March 17 1976

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NEWS SUMMARY

New bomb on London tube

One person was injured when a bomb exploded on a London tube train minutes after it had dropped its last passengers at Wood Green last night. The blast came 28 hours after an explosion on an Underground train at West Ham in which a train driver was shot dead and a passenger wounded.

Scotland Yard said the train, travelling north on the Piccadilly line, had left the station at 9.15 p.m. As it pulled out, there was an explosion and the train was derailed inside the tunnel.

The injured man was Mr. Peter Cox, 32, who was standing on the platform. He was hit on the head, hands and leg by flying glass. Mr. Cox was taken to the North Middlesex hospital.

The bomb, thought to weigh about 2 lb, blew out the windows of the train, which was extensively damaged. It was about to be taken into sidings.

The train would then have set off on a return journey, stopping at Highbury to pick up Arsenal fans. Police said if the bomb had exploded there, it would have been a major disaster.

The bombing was the 14th since the death of IRA hunger-striker Frank Stagg—and the

third train to be hit. A 10lb bomb was left on the 7.49 a.m. Sevenoaks to Cannon Street, London, train on March 4. But the train had been emptied and was on its way into sidings.

Man named

The Irishman in police custody after Monday's explosion and shooting at West Ham has been identified as Vincent Kelly, 36, from Castleknock, Co. Dublin. He has lived in the U.K. since 1971, mostly in S.W. London.

Scotland Yard warned people who spot suspicious articles on trains not to pull the alarm handle but to alert rail staff as soon as possible. London Transport is to post warning notices at stations and bus shelters, asking passengers to keep their luggage with them and report unattended packages. Page 10

GENERAL

Snowdon's marriage discussed

Buckingham Palace said last night that the Royal Family had discussed the marriage of Prince Margaret and Lord Snowdon. But a spokesman refused to comment on a report that a legal separation was being sought between them.

"I am not in a position to say what discussion, if any, has been reached," said a Palace spokesman. "We do not comment on Press speculation."

Scott makes new claim

Mr. Norman Scott claimed at Exeter Crown Court that he had lived with Mr. Jeremy Thorpe, the Liberal leader, in 1959-60. He also alleged that Mrs. Marion Thorpe had paid Andrew Gino Newton to protect him. Newton admitted three firearms offences, including destroying Mr. Scott's Great Dane, but denied two others. He alleged Mr. Scott had blackmailed him about a photograph sent to a magazine. Mr. Thorpe has strenuously denied the allegations.

Sound for MPs

Both Houses of Parliament decided—the Lords without a vote and the Commons by a majority of 175—that their proceedings should be broadcast. An autumn target date is likely. Parliament, Page 12

Army HQ bombed

A plastic bomb exploded in the car park of Argentina's army headquarters in Buenos Aires, killing a man and injuring about 30, including four senior army officers.

Coup charge

Mr. Nicos Sampson, the former EOKA gunman who served as President of Cyprus for eight days after the 1974 coup against President Makarios, is being held in custody after being charged in Nicosia for his part in the military takeover. Page 6

Briefly...

Three West Germans were jailed at Maidstone for smuggling illegal immigrants into the U.K. through the Pegwell Bay Rams-gate hoverport.

Kriter II has covered only 230 miles in the past two days, and the French ketch's chances of breaking a record in the FT Clipper Race seem to be slipping. Wigan's education director, Mr. Kenneth Crawford, was jailed for a year at Manchester for expenses frauds.

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)		
RISERS		
Fellingsworth Dock	162	+ 4
Buffington	101	+ 3
Coronation Synd.	103	+ 7
NIM Hides	248	+ 8
North Broken Hill	167	+ 9
Polaroid	780	+ 30
Peko-Walsend	555	+ 10
FALLS		
Treasury 11½p	78	-101
Treasury 12½p	93	-294
Assed. P. Cement	186	- 7
Avon Rubber	72	- 6
BTR	165	- 7
East Charrington	96	- 3
Bowater	196	- 5
Brown (J.)	83	- 3
Clavenham	130	- 10
Chloride	107	- 7
Commercial Union	130	- 7
Courtaulds	149	- 4
Diatlites	147	- 4
Glaxo	383	- 10
CEN	335	- 7
Hall-Thornbank	73	- 6
Hawker Siddeley	416	- 10
Hawthorn Leslie	41	- 3
ICI	243	- 3
Lesney Products	50	- 5
Man. Agency Music	63	- 5
Metal Box	272	- 7
Nottingham	90	- 9
Royal Insurance	342	- 8
Stothert and Pitt	108	- 6
Taverner Rutledge	86	- 6
Transformer House	83	- 9
Trust Houses Forte	111	- 12
Tunnel Hides	186	- 8
Shell Transport	410	- 7
Ultramar	153	- 6

Nominations close on Monday • Callaghan the early front runner

Wilson goes—'13 years enough'

BY PHILIP RAWSTORNE

Mr. James Callaghan, Foreign Secretary, last night emerged as the early favourite to succeed Mr. Harold Wilson as Labour MP, stunned by the timing of the Prime Minister's resignation, prepared for the election of a new leader.

Amid the immediate political turmoil which followed the Prime Minister's dramatic announcement to the Cabinet, Mr. Callaghan was seen as a figure who could maintain party unity, reinforce the Government's alliance with the trade unions, and reassure international opinion.

Candidates

But close behind him in what promises to be a turbulent contest could be Mr. Denis Healey, Chancellor of the Exchequer, and Mr. Michael Foot, Employment Secretary. Mr. Foot last night appeared to be attracting more support as a standard bearer of the Left than Mr. Anthony Wedgwood Benn, Energy Secretary.

Two other potential candidates however were lining up on the party's Centre-Left: Mr. Roy Jenkins, Home Secretary, and Mr. Anthony Crosland, Environment Secretary.

And, in the first fevered permutations of

the vote of the 317 Labour MPs, last night, it was recalled that the early front-runner has yet to win a Labour leadership election.

The Parliamentary Labour Party, on Mr. Wilson's advice, decided to shorten the usually leisurely election process.

Nominations for the first ballot will close at noon on Monday and voting will close on March 25. If no candidate has an overall majority, the list would be narrowed down for a second ballot by March 30; and, if necessary, a third by April 5.

Labour MPs thus have little time to weigh the leadership qualities of the contenders.

Mr. Callaghan, recognised even by the Left-wing as the front runner, will be 64 this month. But Mr. Wilson, perhaps significantly, said that age should not inhibit the choice of his successor. In the Government's peculiar situation, the Foreign Secretary's supporters count it as an advantage, saying that he would provide stability, until after the next General Election but could be expected to retire within five years.

Mr. Foot, who is 62, retains the affection of the old Left despite Mr. Wedgwood Benn's recent advances. And the hard-headed calculations of the party's militants recognise that, after his loyalty in Cabinet, he would appeal

to a much wider section of MPs than his Left-wing rival. The Tribune Group meets to-night and is expected to concentrate its vote behind one candidate.

Mr. Healey's chances appear to have been seriously damaged by his venomous attack on Left-wing rebels in the Commons last week though the onslaught won the admiration of many of the party's other MPs.

Mr. Jenkins is guaranteed strong support also from Labour moderates but may be unable to gather the necessary additional strength for the final stages of the election.

Important

Mr. Crosland, who has many friends on the Left, could become an important figure in any compromise that might follow the first ballot.

"A leadership election will do good in showing the country the wealth of talent in our ranks," Mr. Wilson said yesterday as he announced to a shocked Cabinet his intention to go.

And though Mrs. Margaret Thatcher, the Conservative leader, yesterday demanded an

immediate general election, it is clear that Mr. Wilson's successor will be determined to maintain the Government in office for another 18 months at least.

Mr. Wilson's timing, however, surprised all but a very few close colleagues. The Prime Minister said that he had decided in March, 1974, that he would remain in office for no more than two years. "I have not wavered in this decision and it is irrevocable," he told the Cabinet.

He had originally intended to go last September, but had deferred his move because of the "paramount importance of ensuring the national acceptance and success of the counter-inflation policy."

Mr. Wilson had told the Queen in December that he would resign in mid-March. "We are now at the turn of the hinge where the 1975 counter-inflation policy is fully established and the 1976 policy is about to be worked out," he said.

The weeks ahead would be crucial and it would have been wrong to break the continuity of policy by delaying his resignation further.

Mr. Wilson emphasised: "The economy is now turning upwards."

Continued on Back Page

Editorial comment, Page 16 • Personal and party assessments, Pages 16 and 17 • Statement and reactions, Pages 12 and 13

Spontaneous tributes by friend and foe

BY PETER HENNESSY, LOBBY CORRESPONDENT

NOSTALGIA KNEW no bounds as Westminster yesterday as Parliament absorbed the surprise news of the Prime Minister's resignation. Within hours Mr. Wilson had been installed in the pantheon of "all-time greats" as a kind of hybrid between Baldwin the Healer and Lloyd George the Guileful.

The Labour Party, traditionally sentimental about old age pensioners, was at its most eulogistic. Westminster echoed to the sound of hoots and whistles. His bitterest opponents on the Left spoke of his personal kindness and intellectual brilliance. Miss Joan Lester, MP for Eaton and Slough, who resigned from the Government last month, said Mr. Wilson's greatest achievement had been to prevent the Labour Party from splitting under his leadership. "No other leader could have done it and she feared for his successor."

Election call

The Conservatives, too, were affected by the departure of an old opponent. At question time Mrs. Margaret Thatcher wished him well in retirement but quickly suggested that the best way to resolve the uncertainty which accompanied his going was to put the matter to the electorate. A trifle churlishly Mr. Wilson thanked her for the kind words customary on these occasions, adding that he was not sure she was "all that keen" on an election herself.

The most magnanimous tribute of the day came from Mr. Edward Heath, former Tory leader and Mr. Wilson's thrice-defeated opponent at the polls.

Anyone who had led his party successfully for 13 years winning four elections deserved the fullest tribute. Mr. Heath thanked Mr. Wilson for his unfailing courtesy and welcomed him to the ex-prime ministers' club, the only party in the Commons to double its strength in a year.

Wilson-watchers had something to cherish from this one of his last appearances at the despatch box. A touch of the old blade work was evident when he replied to the fulsome tribute offered by the beleaguered Liberal leader, Mr. Jeremy Thorpe. Mr. Thorpe had expressed pleasure that Mr. Wilson was to remain in the Commons and said it was valuable for a party leader to have his predecessor on the benches alongside him. "My successor will have his predecessor not only beside him but behind him," came the pointed reply.

The wags, too, had a field day. Mr. Clement Freud, Liberal MP for the Isle of Ely, observed that it was extraordinary to what lengths the Prime Minister had gone in order to succeed Mr. Wilson.

Mr. Norman St. John Stevas, Opposition spokesman on Education, observed soberly that Mr. Wilson's premiership had taught Mrs. Thatcher a valuable lesson. "He has shown the Tories that what we need is not another Churchill but another Baldwin and that is what Margaret will be," he said.

The Conservatives by and large succumbed to the mood of premature nostalgia. One well-known Tory who said he would not miss a thoroughly shifty man who had done untold

Shares and £ fall

BY MICHAEL BLANDEN

SHARE PRICES and the gilt-edged market dropped sharply yesterday and the pound lost nearly a cent against the dollar in the immediate reaction to Mr. Wilson's announcement.

After a reasonably good morning's trading the Financial Times 30-share index had dropped 15.7 points to 394.5. Towards the end of dealing, prices rallied a little on largely technical factors and the index recovered to stand at 400, a fall of 10.2 points.

A similar pattern developed in the gilt-edged market. After some early gains at the long end, the market closed at the day's worst levels. Falls of 1 to 1½ were seen at the longer end, with short-dated stocks losing up to ½. The Financial Times Government securities index dropped 0.62 point to 611.4.

The Bank of England was estimated to have spent up to another \$100m. in support of the pound.

At the end, sterling stood at \$1.9135, close to its lowest levels of the day, to show a fall of 35 points from the previous day's level. The average depreciation of the pound from December, 1971, levels widened from 33.5 per cent to 33.6 per cent.

Union leaders back Callaghan

BY ROY ROGERS, LABOUR CORRESPONDENT

TRADE UNION leaders last night appeared to be preparing to throw their support behind the selection of a new leader should Mr. James Callaghan be elected.

Soundings indicate that Mr. Callaghan is considered by most union leaders as the best man. Jones emphasised that nothing should be allowed to weaken the bond between the party and the union movement, and the determination of both Mr. Callaghan and the union movement to reduce unemployment and get many moderates favour Mr. Callaghan.

Some senior union leaders, the Association for last week's vote of Scientific and Technical, were the only ones to mention a name. Mr. Callaghan was the only one to mention a name.

Summing up the Left-wing attitude, Jones declared that it was a suitable time to break out of the "dead end" of the current economic policies of the Government.

The next Prime Minister, he said, should be a figure of national unity, a man who could create a sense of national unity, a man who could create a sense of national unity.

Mr. Joe Gormley, president of the National Union of Mine-Workers, was "completely shocked" at the news and could not see any logical successor on Monday night. "At a time when we need a man who can lead the country to achieve the complete unity of the party, I will be glad to see him go."

More aid to hold snake together

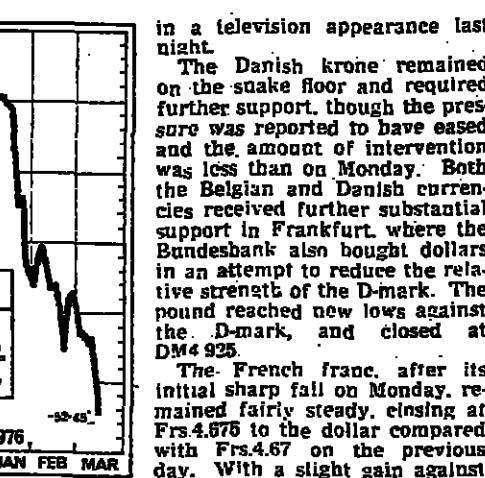
BY MICHAEL BLANDEN

THE Italian lira slumped further and continued substantial support was needed to hold the European snake together in yesterday's unsettled foreign exchange markets.

The confusion following the French decision to leave the snake—the joint EEC floating arrangement—was compounded by uncertainty over the effect of Mr. Wilson's resignation. Attention turned away for the time being from the French franc to the Italian currency and the Danish krone under heavy pressure.

The lira dropped at one stage to 1883 to the U.S. dollar, closing at 1945 to the dollar in London to show a devaluation of around 21 per cent from Monday's level and of some 4½ per cent since Friday.

There was no indication of intervention policy by the Central Bank. Tension between the D-mark and the two weakest remaining members of the snake remained throughout the day. The Belgian franc, which on Monday was released from the narrower margin imposed in the mini-snake with the Dutch guilder, remained pinned firmly to its floor against



the D-mark. Estimates of the support required for the Belgian currency ranged as high as B.Fr.10bn. (around £125m.), representing about one-tenth of the country's foreign exchange reserves.

This was in spite of firm assurances from Mr. Cecil de Strycker, the Belgian central bank governor, that the franc would not be devalued, repeated

in a television appearance last night. The Danish krone remained on the snake floor and required further support, though the pressure was reported to have eased and the amount of intervention was less than on Monday.

Both the Belgian and Danish currencies received further substantial support in Frankfurt, where the Bundesbank also bought dollars in an attempt to reduce the relative strength of the D-mark. The pound reached new lows against the D-mark, and closed at DM4.925.

The French franc, after its initial sharp fall on Monday, remained fairly steady, closing at Frs.4.878 to the dollar compared with Frs.4.87 on the previous day. With a slight gain against the D-mark the franc was still showing a drop in value of some 21 per cent from Friday's levels.

The currency turmoil, Page 6

in New York

	March 16	Previous
Spot	\$1.9135 1/4	\$1.9227 3/4
1 month	1.9110 1/2	1.9211 1/2
3 months	1.9085 1/2	1.9186 1/2
6 months	1.9060 1/2	1.9161 1/2

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ARTHUR BELL & SONS LTD., Estd. 1825—One of the few INDEPENDENT Companies left in the Scotch Whisky industry

if a Scotsman swallows his pride...

مكتبة النحل

Parcel Post

by B. A. YOUNG

To a Nigerian Londoner, a "purebred" he is a long-distance lucky dip rather than a girl chosen from family or friends' acquaintances. When Sam Folanigun's parcel post arrives in Lagos, he has a good deal of worry, she turns out to be three months pregnant and already married in Lagos to a former school-friend.

Sam's sister, Esther, is the author of *Parcel Post* and also plays Sam, has crammed almost all this information into the last quarter-hour of the play. The presentation of life as it exists for Nigerian immigrants in London, and he might have done so in a more entertainingly enjoyable way than are, so that we could get down sooner to the essentials.

Other plays I have seen by black writers for black players tend to be more concerned on familiar dramatic themes, scored in a slightly different language, but *Parcel Post* really gives an idea of what this life is like, and of the humour and without resentment.

The passages that pleased me best were set pieces that made the most of the beauty and dignity of the players' movement and their love for bright colours and pictures. The scene of Sam's sister-in-law Tola and her niece Esther enact a ritual to combat the witchcraft that they have heard Jumaimah practises; they are trapped in white sheets and white faces, and in the end Africa. Later, to celebrate the bride's arrival, all the company put on their most splendid African clothes and dance happily until the police arrive with the inevitable complaints of noise; the scene until then is entrancing and pretty.

Encounter with the law is a well written scene that suggests only too sharply the ways in which such a conflict would be handled, and with perfect good temper, the condescending arrogance of the police and the too ready submission of the Nigerians shown without bitterness.

The company offers a whole bunch of attractive performances, beginning with Mr. Abijade's and Murel Odunsi's *Black Power* and *Black Power*. Tagbo Ajai as Tola displays a basic elegance even when she descends into turgid upbraiding, and Rudolph Walker as her husband, Olu, is a good actor, though he may be backing round the room to escape apprehension by the cops. As Esther, Gienna Forster Jones suggests a wildness barely concealed beneath a calm, and as Olu, while Christopher Asante as Olu, a young musician, hardly worries about concealing it. There is a smoothly lecherous performance by William Payne as the husband of the girl in the Gordon Case as Rogo. Jumaimah's first husband, reveals only too well how little distance there is between the thugs of the Lagos waterfront and the thugs of the Lagos European. Donald Howarth is the director.

by CLEMENT CRISP

the two is a very trusted one, and could round enough corners and snagged on enough projections between the IBA governors and the ITV programme makers to ensure that a tug on one end would not be imperceptible at the other.

Even if a government does lean on the IBA, and the IBA does lean on the ITV companies, and most of the top executives of those companies are in the "cautious" class, it is not to their liking that I will have to be a couple of companies away from the 15 whose executives will decide to resist the pressure, and support their programme makers when they are brought to get the programme past the IBA and on to the air when it is the final result is to embarrass the government.

That is my interpretation of Lapping's suggestion which certainly seems to me to be a very good one. I don't think why I have been particularly all the important advances in current affairs practice (particularly in political and constitutional areas) have come from ITV in the last 10 years. It is still the only television channel, never mind the awfulness of *Crucial Moments* for instance, and the low quality of *National Geographic* compared to many of ITV's early evening magazine programmes. I don't think it is surprising that it is being shown in this way as a failure to break new ground which prompted that question from the Annan Committee members, and in this respect the question remains open.

When Richard Briers objected that in my column two weeks ago, having claimed that reality

good television more often than not turns out to be really good story telling. I ignored BBC's "Play of the Month" production, *Logan*, which he described as "a virtuoso performance by a truly masterly hand." I am not sure that Galsworthy's hand was invariably masterly—in fact I am sure that it was not—but I do agree that in *Logan* he imitated and stole a story in a way that few modern television playwrights could manage.

It would have been interesting (assuming the work is out of copyright) to substitute black and white for colour in the sake of trendiness but to test the timelessness of Galsworthy's theme of the insidious danger of strong group loyalties. I realise this is unnecessary, because even without the play it is clearly so relevant to 1979 society.

Yet it was the structure, the plot, the story that was so strong, and the same went for Anglia's television adaptation of *Rational Murder* on Sunday, Little enough had been done here to banish the impression of a prosecution arch-goddess knows, yet it melted from consciousness moments after the start simply because the plot was so good.

Clare, Bloom and Kenneth More were perfectly adequate in the roles of husband and wife, each implying they are hiding from the other knowledge of the woman's leukaemia. Two such practised performers could cruise sea parts with little effort. The plot was remarkable.

In sharp contrast another recent serial play on ITV (sud-

by MICHAEL COVENEY

ably to have been re-born to an existence of such intense physical sensations, miraculously unbound by a combination of John's curative eugenicism and a large-scale geological howel-movement. Well, that all sounds like a dream, strong as it is, and yet it has remained strangely unmoved for the evening's duration. Rudkin's themes in this mythical landscape of primordial struggle and creation given form by visual expression are directed at Keith Black, and his stunningly well-backed company plunge boldly into these ambitious scenes of repression, antagonism and retreat, and the evening's dramatic and impressive ingenuity of Rudkin's poetic writing in a Celtic, primitivist language of his own devising, which flowers brilliantly at the end of the evening in John's elegy by his dead brother's grave, the pastor's mystical remonitions of pantheistic upheaval and Nebelwoll's elegiac and healing properties of physical pain, one constantly suspects that the play's challenge to our imaginative responses vastly outweighs the importance of the narrative core.

The seventh international contest for the "Europa Prize for painting, 1978" is to be organised by the Cultural Centre of Ostend. A prize of 300,000 Belgian francs (about £4,000) will be awarded to the winner. There will also be a second prize of 75,000 francs (about £1,000) and several honourable mentions.

Details and applications: the Cultural Centre of Ostend, Feest-en Cultuurpaleis, Wapenvlein, 8 8400 Ostend, Belgium.

A 26-programme season of World Theatre on Film has been devised by the British Theatre Institute to mark both its own creation and the opening of the new National Theatre. The season will be presented during April and May at the National Film Theatre on the South Bank in association with the British Film Institute.

Specialty - featured are Laurence Olivier's production of *The Three Sisters* to commemorate the 25th anniversary of the National Theatre at the Old Vic and Peter Hall's production of *A Midsummer Night's Dream* and *Landscape* for the Royal Shake-

speare Company. Albert Finney will comment on "The Changing Art of Acting" in a special programme of film of famous actors and actresses of the past. And a full day will be devoted to the work of Peter Brook, both with the Royal Shakespeare Company and with the International Centre for Theatre Research.

Gifts are still being sought for the auction of objets d'art which Sotheby's will conduct at the Manston House in aid of the Royal Shakespeare Theatre's appeal for funds to bring the heating and ventilating plant to a proper standard.

As already announced, the Queen has given a silver goblet towards the fund, which is still short of the needed amount.

An appeal has been made by the Lord Lieutenant of Warwickshire for further contributions, either items for the auction or cash donations, to the Royal Shakespeare Theatre Centenary Office, Royal Shakespeare Theatre, Stratford-upon-Avon, Warwickshire, CV37 6BB.

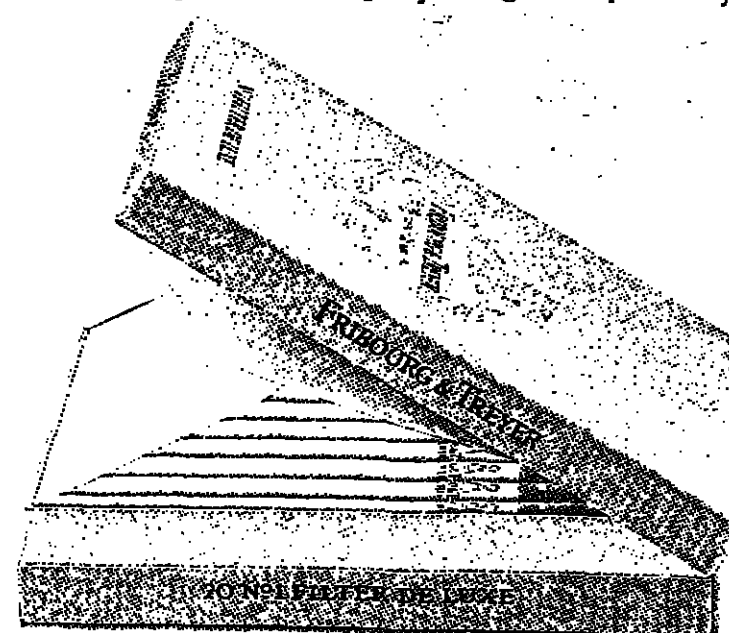


We are not yet ready to join the Machine Age.

As a service to clients we are seeking to make our No1 Filter de Luxe obtainable in places other than the Haymarket shop. To this end an American visitor suggested we might use a cigarette machine.

On investigation we found the machine unable to change a tenner, accept a cheque, give street directions or make sanguine guesses at the Ascot weather and provide the other services our clients have come to expect.

We have, instead, appointed additional select outlets to serve you your cigarettes personally.



5.5p for 20 Recommended price. If you so wish, No.1 Filter de Luxe are available at £6.00 for 200 in 20's including post and packaging from 34 Haymarket, London SW1Y 4HB.

MIDDLE TAR
 Manufacturer's estimate, October 1974, of group as defined in H.M. Government Tables
EVERY PACKET CARRIES A GOVERNMENT HEALTH WARNING

Some of Maria Bjornson's costume designs for the Welsh National Opera's new 'Il Trovatore'—Manrico, Leonora and Di Luna

Soviet oil deal shelved

WASHINGTON, March 16.

The possibility that the U.S. would buy Soviet wheat for a major five-year wheat deal arose last year after the Soviet Union hinted that it offered some of its crude oil at preferential rates in return for

Although a letter of about oil sales was signed last year, the Russians have been reluctant to offer the less than OPEC prices. Weeks ago they apparently, to make it clear that they are not prepared to sell the

anything less than the price. The Ford Admin now feels that it would be unwise to buy Soviet "inflated" world prices in the middle of an election year and it has effectively dropped the idea of oil purchases for the moment.

Illegal payments

Illegal payments

WASHINGTON, March 16.

companies had disclosed practices. He also suggested a speech to the Bar of Wt that unless companies were to free their boards from nation by present or for players, the Government take action to "force the nation of top management."

five policemen were killed in Argentina yesterday as the guerrillas launched a series of attacks on security forces. Reports from Buenos Aires said speculation that the military was trying to overthrow the Government of President Maria Estela Peron, had led to the confusion and chaos that would cause the deaths.

Extradition plea

WASHINGTON, March 16.

Unemployment u-
Canada's seasonally adjusted employment rate rose to 10.1 per cent in February from 9.7 per cent in January and 6.7 per cent in February 1973, Statistics Canada said yesterday. The balance of payments deficit was \$100m. in the last quarter 1973 to \$136m. seasonally adjusted, according to Statistics Canada. For the whole of 1973 the current account deficit was \$3.1bn. Reuters.

Boycott refusal

maintained at 22m barrels p

Boycott refusal

Twenty-two major American corporations, including Motors, McDonnell, Texaco and Merco, have said they will not submit to Arab demands for a boycott of Israel, according to the American Jewish Committee. Reuter reports from New

...and the fact that the *in vitro* results are in good agreement with the *in vivo* results.

...the fact that the *in vitro* and *in vivo* results are in good agreement.

on, hold regular "truth community picnics, with contests, eating, drinking, the chance to show off the fellow cultists. The f started a rash of van m;

Van News, Van Trucking, and others—and is a National Street Van, with its own house Van Happenings, which member clubs in 49 States (exception is Alaska). They are linked to clubs in Australia and Great Britain.

Mr. Eric Pierce, editor of the largest trade publication, Van World (circulation 100,000), says the boom is only just beginning. He predicts that there will be a new breed of vans from manufacturers, two-thirds of the current, which is a little uneconomical and noisy.

Detroit is already turning its own "custom-convertibles" which can be bought straight

- the showroom floor. The carpeting, padded dash, more comfortable seats—all, about \$2,000-worth of extras. Southern Cal customers are not. They say they cannot with demand. One top taking in 5,000 orders a van equipment; and acc and has a backlog of 15,000 orders.

is much debated. There's
spread belief—encourag

bumper stickers reading "A Van"—that the winn started because it made dalliance away from parental eyes. Vanners their heads. The roller bin" is far outnumbered, cosy mini-motor home it: bordello on wheels, not mode-of-transportation way of life.

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customers are not. They say they cannot keep up with demand. One top manager is taking in 5,000 orders a

van equipment and accessories and has a backlog of 15,600 orders.

The role of sex in the is much debated. There's broad belief—encouraged by bumper stickers, reading in *A Van*—that the win started because it made dalliance away from parental eyes. Vanners' heads, heads. The roll-in is far outnumbered, cozy mini-motor home, it borbello on wheels, nor mode of transportation way of life.

Dr. FRANCIS T. FRANK, published in *Science* and *Behavior*, is a University of California, San Francisco, and a member of the American Psychological Association. He is a member of the American Psychological Association.

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IN PRINCETON, N.J., method of "shredding" and padding. U.S. car seats are made by shredding and padding. U.S. car seats are made by shredding and padding. U.S. car seats are made by shredding and padding.

OVERSEAS NEWS

Respite in Lebanon but threat of clash remains

BY HSAN HIAZI

YRIAN intervention and the possibility of prevailing on resident Syrian forces to go down under certain conditions have, for the time being, added off a large-scale military confrontation here.

Anti-Franjeh troops are still repositioning to march on the presidential palace in the Beirut suburb of Baabda. A column of 50 men and some 30 military vehicles, including five tanks, are but have reopened the highway to Sidon. Another force at the mountain resort of Marjayoun is being trained on tanks. Last night, the troops led by Ahmed al-Khatib, commander of the military rebel

movement, self-styled the "Lebanese Arab Army" fired a shell towards Baabda, but it inflicted no damage or casualties. "I only wanted to shake Franjeh up a little," Lt. Ahmed al-Khatib declared to reporters.

Al-Khatib attempted to join forces with Brigadier-General Abdel Aziz al-Andab, the leader of the Army's corrective movement who declared himself provisional governor and demanded President Franjeh's resignation last week. The co-operation was arranged by the Druze chief and socialist leader Mr. Kamal Jumblatt, who is fast emerging as the most powerful

BEIRUT, March 16.

leader on the political scene. The rebel troops were stopped from advancing on Baabda by heavily armed members of the Syrian-sponsored guerrillas group Al Saika, and elements of the Palestine Liberation Army who had come here from bases in Syria last January, and who are known to be under Syria's influence.

The Syrians have been playing what an informed source described as a "carefully calculated role." Apart from protecting the life of Mr. Franjeh, Damascus did not want to see one faction overcome the predominantly Christian Right.

Large Japan payments surplus

BY CHARLES SMITH, FAR EAST EDITOR

TOKYO, March 16.

APAN ran its biggest overall surplus on long-term capital in buying foreign securities. The only negative factor in the February balance of payments figures was invisibles, in deficit to the tune of \$460m.

The surplus was \$630m, and reflected a handsome surplus on visible trade (\$850m) and a cord long term capital inflow (\$20m). Following last month's regular seasonal balance of payments deficit of \$1,050m, the surplus figures confirm that Japan's payments position has improved a considerable amount since the strike by public workers last for at least the next three to four months.

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Breakdown feared in Rhodesia talks

By Bridget Bloom

SALISBURY, March 16.

MAJORITY rule in Rhodesia is an "immutable" condition for a settlement between Mr. Ian Smith's minority white regime and Mr. Joshua Nkomo's African National Council, a spokesman for the ANC said here this evening, on the eve of resumed constitutional talks.

This iteration of the ANC's stand, after Mr. Smith's statement to the Financial Times yesterday that there could only be a settlement if Mr. Nkomo changed his demand for majority rule, shows the two sides again clearly and publicly opposed. Observers here are predicting an early breakdown in the current talks.

The twelfth session is scheduled to begin tomorrow morning, and the ANC at least is suggesting that further meetings will be held on Thursday and Friday.

It remains to be seen whether this is acceptable to Mr. Smith, who has preferred to negotiate at much longer intervals. There is little doubt that African opinion is becoming increasingly impatient at the long delays.

Meanwhile, Mr. Wilson's resignation is leading many Rhodesians to hope that a general election might follow in Britain which would bring a Conservative government to power. There is still a strong feeling of antipathy here towards Labour in general, and Mr. Wilson in particular. Mr. Smith's suggestion in his interview yesterday that he would like Britain to play "a more positive and permanent role" in helping to solve Rhodesia's problems is arousing considerable interest here. Observers are interpreting this to mean that Mr. Smith, despairing of achieving a settlement with the African Nationalists, is seeking a return to direct negotiations between Salisbury and Whitehall.

Quentin Peel adds: Reaction in London to Mr. Smith's statement is still firmly against any British role in the talks, without a commitment on early majority rule. While the Rhodesian Prime Minister appeared to want talks between Salisbury and Whitehall, his preference still seems to be for Britain to represent the African nationalists, and not to include the ANC as a third party, as the British Government has insisted.

Like the Portuguese before them, the Rhodesians hope to defeat the black guerilla by concentrating farmers into protected villages. Bridget Bloom reports from

Mr. Smith's front line

ABOUT 70 miles from Rhodesia's border with Mozambique, and the same distance from Salisbury, there is an African village surrounded by an 8 foot steel fence, fortified by gun towers and controlled from a sandbagged keep. In Salisbury itself, life in the lush white suburbs, and in the African townships, goes on much as usual. But for most rural Africans living in the "sharp end," the local name for the north-eastern operational area, Rhodesia's war against nationalist guerrillas has already brought profound and often unwelcome change.

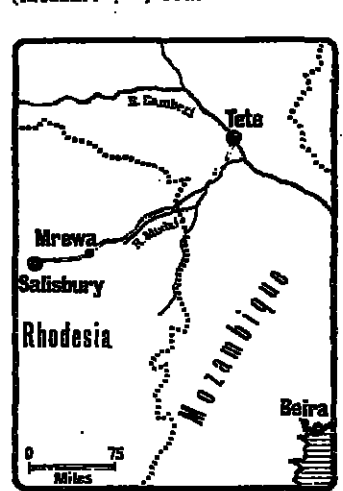
Madziwa, one of two new African villages which I visited last week at the invitation of the Rhodesian Government and in the company of some 50 other assorted journalists, is known as a "protected village." Inside its steel fence live about 2,000 people, whose homesteads and tiny farms were previously scattered over a radius of perhaps 5 to 7 miles.

They may visit their farms during the day, but they must return at dusk and must not leave before dawn. Their men wear permanent numbered identification bracelets; and, if a report from a neighbouring Tribal Trust Land (the name here for African reserves) is anything to go by, that two curfew breakers were shot dead there last week by Rhodesian armed forces, the penalties for straying from the village are severe.

Protected (that is fenced) and consolidated (unfenced) villages are a key arm of white Rhodesia's strategy against the African guerrillas. The Rhodesians, like the British in Malaya, or more relevantly, the Portuguese in neighbouring Mozambique, have decided that their main hope of depriving guerrillas of support from the local population is to remove peasant farmers from their normally scattered homes and

concentrate them into fortified or patrolled villages.

The policy started in late 1973 near Centenary, where the first real onslaught of guerrilla activity was felt. The Rhodesians have progressively extended the system eastwards, to cover all the area north of the Zambezi escarpment and as far east as the Mudzi Tribal Trust Land, just south of the Rhodesia-Tete (Mozambique) road.



Officially, there are to-day between 175,000-200,000 villagers in either protected or consolidated villages. While that is a relatively small proportion of the 4m. or so Africans living in Trust lands, throughout the country, it seems that almost all rural Africans between the border and within 70 or so miles of Salisbury are affected.

There is a limit to what you can find out in a day's official visit, even though the sunburned and keen young district commissioners who briefed us in each of the two villages allowed us, unsupervised, to try to sound the opinions of the villagers themselves. We started with Manyika, bumping along 20 miles of sandy track from Mrewa, the district headquarters, in armoured con-

voys of a couple of open trucks, led by a Hippo-armoured car—made, to the evident pride of the white troops, in Rhodesia itself.

The degree of protection seemed to reflect the international significance of the dangers they faced. One of the big claims of both DCs was that there had been a sharp decline in "terrorist" activity, whether by mines or by hit and run attack, as a result of the establishment of the villages. Since last July, when Manyika was set up, there had only been one mine and no attacks, they said.

Manyika is concentrated round the long white buildings of a secondary and primary school, mission-founded, which have served the area for years. The African farmers themselves now live in new thatched huts, which they built and paid for, and which have been set out in rows. The DC said that his administration vetted the site for water and the like, but that the villagers moved in voluntarily. In his whole district, he said, 40,000 people had been moved. That had not stopped economic life—110,000 cattle were still being dipped a week.

This was not, however, quite how the few Manyika villagers whom we talked to saw it. They had not wanted to leave their farms, they said, and now that they could not guard them, crops were being destroyed by baboons or wild pig. There were complaints about increased tax collections, and several said that they were unable to pay school fees. One social advantage of the consolidated or protected village is said to be the easier access for its inhabitants to social services, but at least in one of the schools, enrolment this year is some 40 pupils (out of 600) fewer than last year.

At the second village, in the Madziwa Trust Land the D.C. had a similar tale to tell, though he maintained that as a result

of "terrorist games" operating in the area from late 1973, the people themselves had all come to ask for Government protection. "The last gate was closed in October 1973," he said proudly, and 17,000 people were now "protected." Since then, there had been no murders, and only four mines laid.

He admitted that about 20 per cent of the population had supported the guerrillas, and that two or three elected tribal chiefs, with at least 100 supporters, had been arrested. The chiefs are still in detention and so probably, are some of the others.

What did the people think? In Madziwa they were more reticent than in Manyika. Perhaps half of those we talked to seemed pleased to be behind the wire. One man, a Kromi (village) head, said he would otherwise have been killed by the insurgents. But another old man, seemingly a follower of one of the deposed chiefs, was outspoken in condemnation of the whole system.

There is nothing really clear-cut in the day-to-day struggle of the war here. It was hardly surprising that we failed to get any worthwhile indication from either village of their real political allegiance. The Government makes great play of the brutality of the guerrillas. "Thank God they do murder these guys," one official said in an aside. "Otherwise we'd have real problems." For their part, the guerrillas are more than ready to dwell on alleged Rhodesian excesses.

Despite strident insistence to the contrary, there seems no reason why the protected or consolidated villages should be any more successful an aid to an ultimate white victory than were the *aldeamentos* in Mozambique.

But meanwhile, the man who seems to be pushed around most by both sides in the escalating guerrilla war is the peasant, whose main aim in life, as everywhere, is presumably to be left alone.

Mozambique request for UN aid

BY OUR OWN CORRESPONDENT

UNITED NATIONS, March 16.

BRITAIN to-day joined a group of non-aligned states in sponsoring a resolution in the UN Security Council calling for international economic aid to Mozambique to enable the former Portuguese colony to combat the effects of its decision to apply sanctions against Rhodesia.

In an address to the Council, Mr. Joaquin Chissano, the

Mozambique Foreign Minister, estimated his country's needs at \$48m. a year. He said that this was in addition to the \$8m. owed by Rhodesia to Mozambique.

Mr. Ivor Richard, Britain's chief delegate, referred in his statement to the Council to the Commonwealth Heads of Government decision at Kingston last year to help Mozambique if it applied the economic embargo, and

He said that this was a landmark in the continuing efforts of the international community "to bring pressure upon the illegal regime in Rhodesia by peaceful means."

Reuters adds from Washington: The Secretary of State Henry Kissinger said today that the United States would do nothing to help Rhodesia's white minority Government remain in power.

CONAKRY PLEDGE TO CO-OPERATE

By Jane Bergeron

LUANDA, March 16.

THE SUMMIT Conference in Conakry between Cuban Premier Fidel Castro and three African heads of state from Guinea, Guinea-Bissau, and Angola ended with a brief communique pledging continuing co-operation to increase pressure in Southern Africa. It was also revealed that Guinea and Guinea-Bissau troops had fought with the MPLA in Angola.

TWA's the only airline with a New York terminal for the exclusive use of its own passengers.

HOME NEWS

Planning agreements should exclude trade unions says Adamson

BY ADRIAN HAMILTON

PLANNING agreements between companies and the government must be voluntary and should not include trade unions as a third party, according to Sir Campbell Adamson, director-general of the Confederation of British Industry.

Speaking out in the House of Commons on the Government's planning proposals, Sir Campbell said the dialogue between industry and Government must be based on trust and not on widespread intervention in the affairs of companies by a Government which has a poor industrial record.

If companies were to be persuaded to enter planning agreements with the Government, "at the very least four

assurances will have to be given."

• Any agreement must be voluntary, without pressure or economic blackmail.

• The dialogue must also be bipartite, between Government and the company, and not with the trade unions as the third party.

• There must be flexibility in execution, so that no company is hindered in taking the action it deems right.

• Companies not entering planning agreements must suffer no competitive disadvantages over those that do.

Sir Campbell's comments, made at a Food Manufacturers' Federation conference, reflect the ambivalent attitude of industrial sectors being

approached by the Government to negotiate planning agreements.

On the one hand, a sizeable part of industry—particularly among the larger companies—accepts that a closer relationship between Government and industry is both welcome and potentially constructive, when pursued on the basis of a "dialogue" between industrial sectors and sponsoring ministries.

But companies also remain suspicious of the Government's intent when it comes to individual company planning agreements, particularly when the question of union participation and broader Government ideas of "direction" concerned. The Government has already

moved far from seeking formal agreements towards seeking sectoral "understandings." There are signs that companies, especially those in the process plant and food industries which see strong commercial advantage in such an understanding, may accept agreements.

Other companies, especially in the petrochemical sector, remain more obdurate in their opposition.

Talks remain at an early stage, however. With companies still seeking clarification as to the exact nature of the Government's requests, it is unlikely that any agreement with a private company will be announced before the early summer.

Part of Price Code is daft — Mrs. Williams

BY ELINOR GOODMAN

MS. SHIRLEY WILLIAMS, Secretary for Prices, yesterday admitted that part of the Price Code was "daft."

Answering a question at the end of Manufacturers' Federation conference on the way the Price Code prevented manufacturers from benefiting from greater efficiency resulting from new investment, she said she was "much aware of this perfectly fair" criticism of the code.

While refusing to be drawn on the precise nature of the new code, she stressed the importance of Government now placing investment.

What we need to do now is create the climate in which investment can thrive," she said. "The future depended on continuation of the counter-inflation policy until inflation used to threaten the country's exports, a much higher level of investment in plant, machinery, manpower and better use of it."

Mrs. Williams also followed the Chancellor of the Exchequer's attack on Monday night on the EEC method of fixing farm prices.

"I make no secret of my view that for some time the Community price has been over-high. We must therefore continue to throw all our weight, as members of the European Community, into holding down the level of common agricultural support prices."

Speaking at the same conference, Mr. Ronald Hardesty, president of the FIM, again stressed the acute problem the industry was suffering as a result of the Price Code.

The operations of the Code, he said, had squeezed the food industry's margins from around 5 per cent. in 1972 to 3.5 per cent. in 1975.

This reduction of margins had resulted in "a critically important loss of revenue to the food industry, which was desperately needed to finance working capital due to the

rapidly increasing cost of raw materials."

The result was a substantial reduction in capital investment programmes and the loss of jobs both in the food industry itself and the supplying industries.

As far as housewives were concerned, he claimed, the reduction of margins had led to only a 0.5

per cent. smaller rise in the retail price index than would otherwise have been the case. It was quite clear that the Price Code did not make economic sense to anyone.

The Chancellor was urged to remove value added tax from all foods in his Budget in a telegram sent last night by delegates to the conference.

Research spending faces heavy cuts until 1980

BY DAVID FISLOCK, SCIENCE EDITOR

OUR MAJOR SCIENCE sectors—astronomy, space and radio search, and high-energy physics—are to bear the brunt of severe cuts in the spending of the research councils over the next five years.

By cutting the spending on these very capital-intensive sectors by about 20 per cent. by 1980, the Advisory Board for the Research Councils (ABRC) hopes to hold the overall budget steady.

All these sectors fall within the province of the Science Research Council, which absorbs 3 per cent. of the research funds. Its budget—£7m. this year—will effectively be reduced by 1.5 per cent. per year for the next five years. This will permit, within an overall zero-growth situation, a cut of 1.7 to 2 per cent. in budgets of the other four

research councils, as well as some growth in engineering, chemical and other areas of research funded by the Science Research Council.

Announcing this yesterday, Professor Sir Frederick Stewart, chairman of the ABRC, admitted that his 18-member Board had been forced to take "some very hard decisions." But the decision to cut back on "big science" had been a consensus.

One consequence must be that Britain will have no national accelerator ("atom-smasher") by 1980. The decision to close the Daresbury accelerator in Cheshire has already been taken, and the Science Research Council will decide this spring when Nimrod in Berkshire is to close.

Second Report of the Advisory Board for the Research Councils, 1974-75, Cmd. 6430, 50 50p.

Aviation policy expected to be swiftly implemented

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

Government is expected to implement swiftly its new civil aviation policy, now through Commons and Lords.

BA is to take over the East African, Seychelles and North Atlantic routes formerly flown by BCal, while the latter will retain its rights to Houston and Atlanta, and take over BA's former routes to Caracas, Bogota, and Lima. But it will end its "exempt charter" flights to Singapore.

The only exceptions to the "dual designation" of British airlines on long-haul international scheduled routes will be if BA wants to run a Concorde service, to a destination served by BCal—in which case BCal will have to be compensated for any losses.

and British Caledonian shall each have specific "spheres of influence."

The new policy, now through Commons and Lords, is expected to be sent soon to Lord Carpenter, chairman of the Civil Aviation Authority, Secretary of State for Trade, and policy is not expected to be affected by any Ministerial decision to resign.

airlines applying for route licences will have to bear in mind the basic principles of the policy—that there shall be dual designation of more than one British airline on long-haul international scheduled routes and that British Airways

New railway company

NEW public company, the which runs steam-hauled trains, Central Railway Company at weekends between Bridgwater and Bewdley, reopens on March 20 for the 1976 season. It was originally planned to re-open the railway two weeks earlier, but engineering work on the line to buy an Oldbury Viaduct prevented this from happening. A temporary service ran between Bridgwater and Bewdley for the first two weeks while work on the viaduct was completed. The number of trains running this season has been greatly increased, compared with last year and at busy periods trains will now run every 45 minutes.

To remove graffiti—£100,000

OUR OWN CORRESPONDENT

£100,000 has been spent on removing graffiti from the new Glasgow underground system. The money was given by the Chancellor in the Budget. It had still to be allocated to parts of the U.K. A claim would be put in for Scotland when the new of the Scottish Action Manpower Commission met in Glasgow next Wednesday.

There is still tremendous pressure to get projects going in Scotland in order to use up this money as quickly as possible. But having nearly £4.5m. yet to spend, it is a bit difficult to get more money, Dr. Docherty added.

Eagle Star in £5m. City block deal

EAGLE STAR has paid £5.1m. for a 46,800 square foot office block in Aldgate High Street, City of London, developed by Amalgamated Investment and Property, the group which went into compulsory liquidation last week.

Completion of the deal came shortly before Amalgamated's failure. Building work is still in progress and Eagle Star has assumed responsibility for the final stages of the building contract.

The purchase price includes £380,000 for contracting costs and £275,000 for land purchased from the GLC. The building is on a ground lease from London Transport.

The amount raised by Amalgamated from the transaction was about £3.4m. This was included in the figure of £3.4m. worth of sales in the last year, quoted by the company last week.

Eagle Star will occupy the building itself, making this the insurance company's second major City location, after its head office at No. 1 Threadneedle Street.

The purchase indicates some upturn in the market for vacant City property, which has recently been depressed. Vickers were the agents who acted for Amalgamated and Anthony Brown Stewart, for Eagle Star.

Thorn pays £2.5m. for Cleveland Twist Drill

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

RATIONALISATION OF the cutting tools industry has been taken another step with the acquisition by Thorn Electrical Industries of Cleveland Twist Drill for more than £2.5m.

The deal comes less than nine months after Thorn suffered defeat in its bid for Sheffield Twist Drill, the "Dormer" cutting tools business. Rival bidders SKF of Sweden won that battle, which was to do with world leadership in the cutting tools market, worth £550m. (£200m. of it in Europe).

Thorn's aim was to build up its subsidiary, Clarkson International Tools, to a size closer to that of the biggest companies in the market. Acme-Cleveland and Litton, both of the U.S., it has had to settle for being the largest cutting-tool business in the U.K., a position it takes up with the Cleveland acquisition.

The enlarged Clarkson business, after taking in £4m. of turnover by Cleveland, will have sales of more than £20m. a year, while its three major rivals have

each a turnover in the region of £33m.

Cleveland has factories in Scotland, at Peterhead and Glasgow, with more than 600 employees. Thorn said it did not expect redundancies "as the opportunities to exploit further the strength of Cleveland brand names are seen as providing future expansion."

About 40 per cent. of Cleveland's output in the U.K. is exported, against Clarkson's 60 per cent. Clarkson insists that the deal will, therefore, strengthen its position both in the U.K. and in international markets, particularly in EEC and EFTA countries.

Clarkson, as part of the arrangement, will enter into know-how agreements with Cleveland for provision from its research and development unit in Ohio for cutting tools and for use of the Cleveland brand names.

The deal, subject to final approval by the Bank of England and both Boards, should be completed by the end of this month.

ICI revives Teesside plan

ICI has revived a controversial plan to build a £20m. synthetic protein plant at Billingham, Teesside.

The scheme, which led to protests and a public inquiry in 1974, is to be put forward for approval to the ICI Board later this year.

The company has already had planning permission for the

plant, which would produce 100,000 tons of protein a year by fermenting methanol produced from natural gas.

When the plant was proposed, residents and the local trades council objected on grounds that a test plant had produced a strong, sickly smell and that a full-scale plant would be worse.

Why Do You Read So Slowly?

A FAMOUS educationalist reveals that he has devised a new, simple technique of rapid reading, which guarantees that you will at least double your reading speed and yet retain much more.

Most people do not realise how much they could increase their pleasure, success and income by reading faster and more accurately. What's more, this method has been tested and proved successful in business, industry and schools throughout the world.

According to this educationalist, anyone, regardless of his present reading skill, can use this simple technique to improve his reading ability to a remarkable degree. Whether reading stories, books or technical matter, you can read sentences at a glance and entire pages in seconds with this method.

To acquaint all readers with the easy-to-follow rules for developing rapid reading skill, full details of this interesting self-training method have been printed in a new 24-page book, "Adventures in Reading Improvement," sent free on request. No obligation. Simply write to: Rapid Reading Programme (Dept. FTB3), Marple, Stockport.

Shaping the heat to the job

Think of an electric kettle, or a hot water immersion heater. Both are examples of metal sheathed heating elements in action. The same technology, on a larger scale, is finding more and more applications in every sector of manufacturing and process industry.

Over three million metal sheathed heating elements are supplied annually for industrial process heating in the UK. More and more companies are enjoying the benefits of greater economy, higher productivity, a cleaner working environment and a better quality product.

Putting heat where you want it

Metal sheathed heating elements can take many forms: tubular, cartridge, strip, ring, band or cable — depending on the job. And they are easily shaped to suit even the most awkward situation. This makes them extremely simple to 'design in' to equipment.

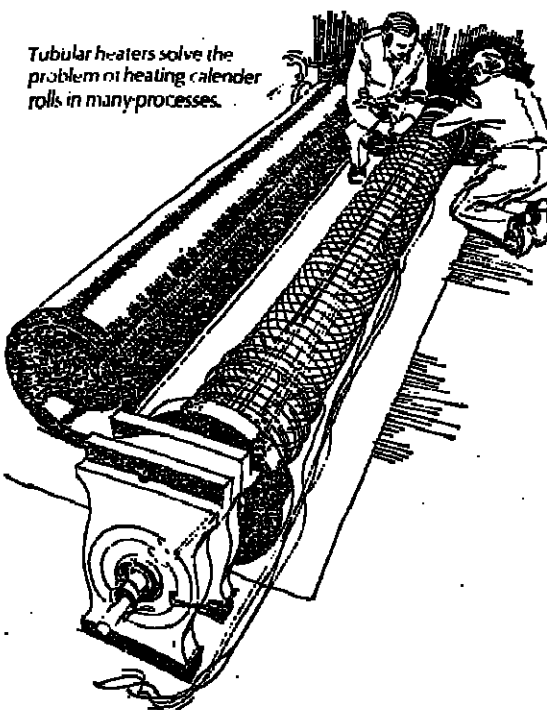
Metal sheathed heating elements are inherently safe, the sheath being insulated from the resistance wire and earthed for safety. Special flameproof fittings can be used in hazardous areas. And, correctly installed, metal sheathed elements are highly reliable.



Mineral insulated cable is used for heating pipework in petroleum refineries and other hazardous areas.

Get the full facts

The Industrial Sales Engineer at your Electricity Board knows a great deal about the latest process heating equipment and techniques. Get his advice. It could help you to arrive at a more efficient and cost-effective system.



Tubular heaters solve the problem of heating calender rolls in many processes.

Electricity does industry a power of good



The Electricity Council, England and Wales

WORLD NEWS

Tricentrol participation deal in Thistle field

BY RHYS DAVID

THE GOVERNMENT has won its 9.1 per cent. share of the Thistle field. In April last year, the Government announced that it would guarantee repayment of advances, up to a maximum of £35.3m., made by banks to the company for the development of its Thistle field.

Under the agreement, Tricentrol will assign 51 per cent. of its legal interest in the Thistle field to ENOC. This will give the state corporation the right to appoint a representative to the various operating committees and an option to purchase 51 per cent. of Tricentrol's share of oil from the field at full market price.

The deal follows an earlier participation agreement with the Continental Oil/Gulf partnership at the end of last month and last week's purchase by the Government of Burslem Oil's stake in the Ninian field for some £33m. It is the culmination of discussions with the Government which began in December 1975, when Tricentrol approached the Department of Energy seeking help with problems encountered in financing

But Mr. James Longcroft, the company's managing director, said yesterday that it was confident the production platform would be successfully floated out to the field this summer, in time for production to start in March 1977.

Tricentrol is hoping that, if this can be achieved, and providing oil prices remain stable and other unforeseen circumstances do not interfere, it can repay the loans by April 1979. On this basis the special royalty, which is separate from the royalty of 12.5 per cent. is also payable on North Sea oil, can be limited to 5 per cent., the company said yesterday.

A further feature of the deal is that, once production is under way, it will be possible for the loans—up to a maximum of £30m.—to be covered by the Government guarantee and become "released debt," repayable out of the proceeds of the sale of oil. Tricentrol, which is dedicated to its cash flow, is Thistle to the repayment of the loans, is hoping to reach this position by April 1978.

Marsh warns of threat to BR

BY ARTHUR SMITH

A CLEAR warning of the threat that current Government policies could hold for British Rail was delivered last night by Sir Richard Marsh, the retiring chairman.

BR's objective was to maximise revenue and minimise costs regardless of the passenger loss this caused, Sir Richard told a sub-committee of the Select Committee on nationalised industries.

But he doubted whether the social and economic consequences of such a policy were appreciated. The situation could arrive where BR's finances improved enormously and financial support was cut, but so many passengers were lost that it would not be possible to justify subsidies.

Sir Richard rejected a suggestion from Mr. Russell Kerr, committee chairman, that he was exaggerating the position.

BR was losing passengers—pricing them off the railway—

and the situation could be reached where the State corporation was operating a very large system but with few passengers.

Earlier Sir Richard had produced statistics to support his argument. Fare increases in 1974 and 1975 had produced an 88m. improvement in the financial position last year, but at the cost of a loss of up to 17 per cent. in traffic.

BR was pursuing such a policy in the belief that Parliament wanted the Board to reduce its dependence upon public expenditure.

Sir Richard again emphasised the need for BR to be given clear, long-term objectives and complained about changes in Government policy. It was essential for the "non-cash" objectives—the social aims—of BR to be identified, he believed.

It could be done and, he believed, there would be no way of managing the corporation effectively.

Scots 'federal' call

BY CHRIS BAUR, SCOTTISH CORRESPONDENT

THE CONSERVATIVE PARTY'S internal argument about whether to drop its commitment to a directly-elected Scottish Assembly was taken a stage further yesterday with the suggestion by a Scottish Tory leader that federalism was the only alternative to a scheme of devolution within the present constitution.

Mr. Michael Ansell, vice-chairman of the party, told a meeting of the Central and Southern Council in Stirling that one conclusion was emerging strongly from the debate about the Government's devolution White Paper.

"Either we have effective devolution within the present constitutional system, or we make the break and go for a federal solution," he said. "Federalism might have the task of carrying into effect law produced by others with which it might be in fundamental disagreement."

petition with England." He preferred the idea of setting up what he called a "Scottish Congress" empowered to veto and amend Scottish legislation, and able to scrutinise and control the Scottish bureaucracy.

The "middle compromise" proposed by the Government were a constitutional hybrid which could never work, he said.

Mr. Nicholas Edwards, MP for Pembroke, said the Assembly outlined in the Government White Paper would have the task of carrying into effect law produced by others with which it might be in fundamental disagreement.

Shipbuilders' London HQ opposed

THE IDEA that British Shipbuilders might after all establish its HQ in London was strongly condemned yesterday by Mr. Dan McGarvey, president of the Shipbuilders' Association.

The original Government paper setting out nationalisation of shipbuilding and ship-repairing said the HQ of the new corporation would be set up in shipbuilding traditions, the NW Clydeside and Merseyside have all filed their claims as the logical choice.

But reports have been circulating that British Shipbuilders, now temporarily domiciled in London while its organising committee gets on with the preliminary negotiations, might set up in the capital.

Mr. McGarvey said he had heard that there was "a substantial body of opinion" in favour of the HQ being in London and he wondered who and where this opinion was.

"I do not know, except it might be among some employers who may be appointed to the Board and want to stay in London to carry on their other interests there," he asserted.

'No palace'

"We are not, however, having the HQ in London and I support 100 per cent. the original view proposed by Mr. Beon that it must be in a development area with strong associations with shipbuilding. That means places like Tyneside, Wearside, Teeside, Merseyside and Clydeside."

Mr. McGarvey said it was time people in London realised that these places were "not the back of beyond." They did not want another HQ for another nationalised industry in London.

Mr. McGarvey as chairman of the shipbuilding committee of the Confederation of Shipbuilding and Engineering Unions will be the chief speaker at a one-day conference in Newcastle to discuss the public ownership of the shipyards.

The meeting has been organised by the confederation and will be attended by more than 300 delegates from shipbuilding, ship-repairing and marine engineering in the U.K., excepting Northern Ireland.

Chemical industry will spend £2.8bn. in three years

BY RHYS DAVID, CHEMICALS CORRESPONDENT

THE CHEMICAL INDUSTRY must have, because of new plant and equipment in the industry, a "slightly inflated" investment intentions, the survey by the Chemical Industries Association.

This follows spending of about £2.5bn. in cash terms by the industry in 1975, price-increases, will lead against an original forecast of £2.4bn. and indicates, according to the association, that the top of the £1.5bn. extra is due to invest in the large capacity for the future, based on key period in which the reasonable projections of growth signs have to be taken in demand.

The survey, the eleventh by the association, also speaks of few months the firmest need for the Government to grounds for confidence in the industry.

CHEMICAL INDUSTRY FIXED CAPITAL EXPENDITURE IN THE U.K. ON PLANT, VEHICLES AND BUILDINGS

(In £m.)	At current prices	At 1975
	in year shown	prices
1974 (Actual)	2,500	2
1975 (Actual)	2,500	2
1976 (Forecast)	2,700	2
1977 (Forecast)	2,800	2
1978 (Forecast)	2,800	2

improve the environment in the industry operates. In particular, it echoes recommendations in a report from the Chemicals Economic Development Committee last week in stressing the importance of bringing down the rate of inflation and easing price and profit controls. The association wants the Government to grant permanent relief from tax liability for stock appreciation.

The survey points to the effects of inflation on the cost of investment. Though the £2.8bn. expenditure for the three years 1976-78 is three times the amount in money terms spent in the years 1972-74, in terms of constant buying power the forecast annual expenditure from 1976-78 will be below the peak year of 1970.

Yet while the cash demands for investment have multiplied by three the cash revenues of the companies making the investment will be given every opportunity to secure the necessary cash and to achieve an adequate level of profitability from the expenditure, the survey says.

Mr. Brian Rigby, chairman of the association's Economic Committee, said that if the investment was prepared to take along the lines suggested by the survey, the industry could generate a steady stream of profits, and raise a fund to provide a cushion against the "fragile" future.

As a measure of the investment uncertainty, he said that a survey of investment intentions for 1976-78, in terms of constant buying power, the forecast annual expenditure from 1976-78 will be below the peak year of 1970.

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District heating proves costly

By David Fisklock, Science Editor

A £30,000 FEASIBILITY study of a potential district heating scheme for Glasgow has shown that unless the consumer was subsidised by the Government it would pay more than for alternative forms of heating.

The significance of the study, a serious blow for enthusiasts for large-scale district heating schemes, is that it was carried out for a real situation particularly favourable to district heating.

The South of Scotland Electricity Board, which financed the study, believes it is the most thorough investigation of district heating undertaken in Britain. Its report, released yesterday, has been passed to ACORD, the Government committee co-ordinating energy research and development, which has discussed district heating as a way of utilising waste heat from power stations.

Concern, expressed at public inquiries into siting of new power stations, about the apparent low efficiency of generating plant and the amount of heat wasted, was one reason why the SSEB undertook the study, said Mr. Frank Tombs, its chairman.

The Board worked with Kennedy and Donkin, the consulting engineers, and Glasgow District Council on a feasibility study based on the Pinkston power station.

The 30-MW station, closed a year ago, provides a convenient site for a new power station in the centre of Glasgow. Its catchment area is due for extensive redevelopment, so that a free choice of the heating method could be made by consumers.

Heating density will continue high in an urban area which includes hospitals, a university, and much commercial and residential property. The heat load assumed in the study was 380 megawatts—three-quarters for commercial premises.

Another point favouring district heating is that Glasgow is as far north as Malmö, a Swedish seaport with extensive district heating.

Of a total of nine possible schemes investigated for piping hot water (at 127°C) in the district, all based on using waste heat from a power station failed to achieve the rate of return recommended by the Treasury for large capital projects.

Barton bus fares to rise

FARES ON Barton buses, which operate in Derbyshire and Nottinghamshire, are to rise for the fourth time in a year. The East Midlands traffic commissioners at Nottingham yesterday approved fare increases of up to 3p on more than 100 bus routes.

But Barton Transport, whose main depot is at Chilwell in Nottingham, expects to incur a £2,000 deficit at the end of their financial year, despite the latest increases.

Leading companies 'tra at a real loss'

SEVERAL LEADING companies in the chemical industry have been trading at a real loss over the past three years, according to an inflation accounting study of 80 leading companies in the industry published today.

The study, prepared by Mr. Leon Hopkins of the Institute of Chartered Accountants' technical directorate and published by Inter Company Comparisons as part of its annual survey of chemical manufacturers, shows that the companies' average inflation-adjusted return on capital was only 2.4 per cent. in 1975/76 and 4.3 per cent. in 1974/75.

Average return on assets was 1.6 per cent. and 3.5 per cent. in each year, compared with 15 per cent. and 10 per cent. on the unadjusted historical cost basis.

Among the companies which are shown to have made losses in 1974/75—although they all reported substantial historic cost profits—were Fluka (£2.5m. loss), Du Pont (U.K.) (£2m. loss), Albright and Wilson (loss) and Laporte Inc. (£1m. loss).

As a result of the application of inflation accounting, 58 of the 80 companies are shown to have negative rates of return on capital, including D. I. Chemicals (-3.4 per cent.), Sandilands (-3.4 per cent.), and accounting using indices relevant to the chemical industry. Prepared by the Statistical Office.

Adjustments of this kind cannot compare with the accuracy of that can be achieved by companies themselves. Internal calculations, however, are believed to give a "reasonable index" of the level of "real" profit within the sector.

Chemical Manufacturers' Association Report, based on I.C.G. 81, Du Pont (U.K.) (£2m. loss), Albright and Wilson (loss) and Laporte Inc. (£1m. loss).

Polio vaccination achieves major cash benefits

BY OUR SCIENCE EDITOR

THE OVERALL financial benefits over 20 years of the vaccination programme to prevent polio, in terms of savings in medical costs and the productivity of those who avoided the disease, were 12 times the cost of the preventative programme, according to the Department of Health.

This is cited as one example of a preventative procedure where it can be confidently asserted that cost savings are apparent and substantial. In a discussion paper published yesterday on where the Government should direct its medical resources, the way ahead for polio vaccination is one example, it says, of measures which, even if humanitarian considerations were completely absent, rational economic calculation would justify.

Prevention and Health, body's business, 50/50

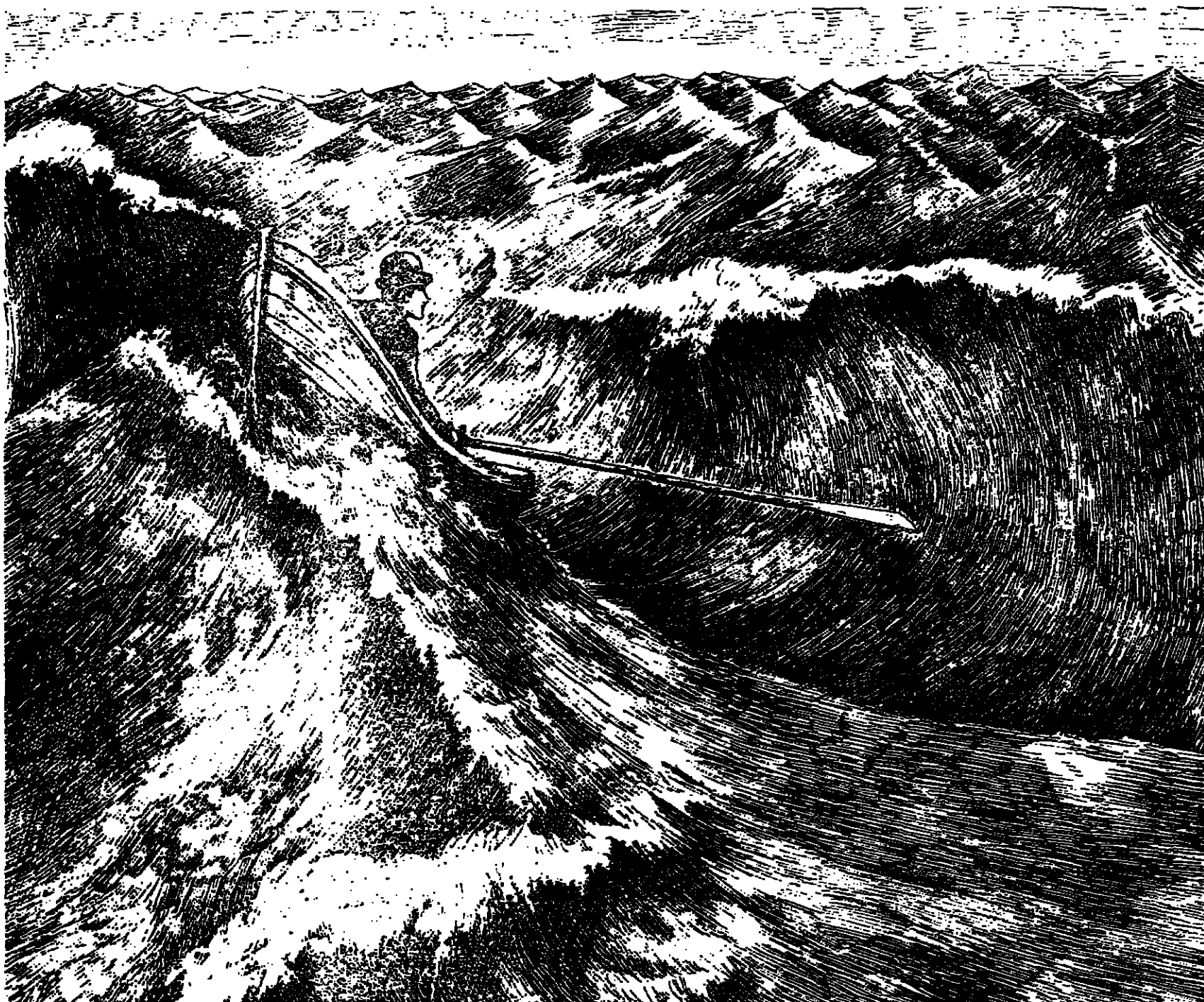
The M62 connection

This spring sees the completion of the final east section of the M62, firmly connecting the city a seaport of Hull with the national motorway network and reinforcing Hull's role as a key communications centre of Western Europe.

Over 30 unit load cargo sailings a week link Hull with various continental ports, and this highly versatile North Sea trade route is now about to be extended by motorway from Hull right to the heart of industrial Britain.

Companies interested in sharing in the future economic growth of Hull, the city at the crossroads of Europe, are invited to contact Ian R. Holden, Director of Industrial Development Kingston upon Hull City Council, 77 Lowgate, Kingston upon Hull, Tel. (0482) 23111.

Hull—a Great British City



Where will you be when the tide turns?

Make the wrong economies now and you may find that when things start to pick up you're still down and struggling. Spend unwisely and your company may not be around to see reflation.

It needs a clever manager to tread the narrow path that keeps the right balance. To help now, and in the future.

One of the areas you must think about—before you dismiss it or cut it back too severely—is training. Because more competent people may mean the difference between success and failure.

Good training programmes can aim at all levels of a business. Improving management. Making better use of resources and adding to export skills. Getting workers to do a task in the best possible way. Or any of a host of other benefits—to keep your company healthy during the recession.

And when the tide does turn, you'll be ready and waiting with the right type of skills to take advantage of increasing demand.

The Industrial Training Board for your industry can help you organise your own systematic training tailored to your needs. Either for full-scale training schemes or specific training programmes.

Make use of the bank of experience and understanding which Boards have built up working with their industries.

Each Board consists of key employer, trade union and education members of their industry.

Seek the Board's expert advice. They can help you with your problems. Sometimes they can help with grants too.

For your company's sake—think about training.

TRAINING SERVICES AGENCY*

*An executive arm of the Manpower Services Commission.

PRACTISE WHAT YOU PREACH.

You are, no doubt, asking your company staff to cut out waste. And, at the same time, asking yourself how you can contribute.

In which case, may we suggest you look at your company car? If it's at all typical, it probably gives you little more than 15 miles to a gallon.

And you might decide that you'd set a better example if you arrived at work in an Audi 100.

According to Autocar, its overall mpg is 40% better than that of a Jaguar XJ 3.4. It has the added advantage of needing a major service only once every 10,000 miles.

But for all this, our car offers you a measure of performance and spaciousness that is at least as generous as that offered by its more thirsty competitors.

It also offers you such a degree of comfort that one admiring gentleman chose to drive an Audi 100 GL non-stop, 22 hours a day, for 2 weeks, which we believe to be a world record.

Last, but by no means least, the Audi offers you a steering and braking system that can keep you on course if a front wheel skids or punctures. And, though other executive saloons may preach about safety, that's one particular feat they can't actually practise.

In short, the Audi 100 doesn't involve you in the sacrifices you might expect.

And the advantages? Well, how many companies who persist in following the extravagant policies of the past can hope to stay in business?

As you're always, no doubt, telling your staff.



Audi 

FIGURES ILLUSTRATED £3,298. PRICE INCLUDES VAT AND CAR TAX AND IS CORRECT AT TIME OF GOING TO PRESS. FOR AN INFORMATION PACK ON THE AUDI 100 WRITE TO AUDI CUSTOMER ENQUIRIES, PEMBROKE HOUSE, CAMPSBOURNE ROAD, LONDON N8 7PT. PERSONAL EXPORT SALES: 95 BAKER STREET, LONDON W1. TEL: 01-486 8411.

LABOUR NEWS

Strike call over dead driver

BY OUR LABOUR STAFF

LONDON TRANSPORT is to post warning notices at Underground stations and bus shelters asking passengers to keep their luggage with them at all times and to report instantly any packages left unattended.

This follows Monday's bomb explosion in a train at West Ham and the murder of the train driver who pursued a gunman.

Colleagues of the dead man, Mr. Julius Stephen, yesterday called for a token strike to protest about the incident and to recognise Mr. Stephen's bravery.

An official of the National Union of Railwaymen, to which Mr. Stephen belonged, said he did not think a strike would take place. But he added: "It is natural that his colleagues should want to pay their respects in some way."

Both the NUR, the drivers' union ASLEF and London Transport repeated police advice and called on passengers to keep their sharp look-out, stressing that little more could be done in terms of formal security.

It was not possible to screen every passenger as was done at airports, they said.

Mr. Ray Buckton, ASLEF general secretary, said: "People have got to accept that they are all in the front line now, and must be constantly on the alert."

He called for talks with management on tightening security on both the rail and underground networks.

LONDON TRANSPORT advised people who saw unattended packages on the Underground to leave the compartment at the next stop and alert a guard.

LT staff had themselves been doubly vigilant since the terrorist attacks spread to

Britain, a spokesman added. This had already paid off when a bomb was spotted at Oxford Circus Underground station recently.

Train drivers in the Medway area of Kent have come out against the cuts due to be implemented in peak hour commuter services on Southern Region. "The feeling of the men was that if they tried to cut one train, they might as well cut them all," said their chief negotiator, Mr. Harold Bagillioe, yesterday.

He is chairman of the staff side, Southern Region region council B, which represents footplatemen.

"Some of the men were under the impression that the cuts have been put off but we can now say that, as a result of meeting with the chief personnel officer, the peak-hour cuts are definitely

on from April 20," Mr. Bagillioe said.

Negotiations between management and unions over the cuts had reached the point of no return and he and his officials were touring the region reporting back to the men on the results of the negotiations.

On the problem of week-end services—where it is planned to cut out Sunday trains altogether to many places on Southern Region—Mr. Bagillioe said that the men were setting up working parties to see what other economies could be affected.

Southern Region commented, "We see no alternative to introducing a reduced list on Southern Region from April 20 if we are to meet the Government's financial directives."

Week-end station closures had been deferred for the time being and consultations with staff continued.

Mediation for Isle of Grain row

By Our Labour Staff

A THREE-WEEK-OLD safety dispute which has stopped construction of a £200m. power station at the Isle of Grain, Kent, is to go before an independent board of mediation within the next two weeks.

Some 14 workers at the site are on strike over claims for free protective clothing.

The three-man panel of union and management representatives with an independent chairman will decide whether the men should receive the free overalls and if they should be paid for the time on strike. The General and Municipal Workers' Union and the contractors agreed to the arbitration yesterday after talks held under the auspices of the Advisory, Conciliation and Arbitration Service had failed.

Leyland laid-off total reaches 7,000 mark

BY PETER CARTWRIGHT, MIDLANDS CORRESPONDENT

HUNDREDS MORE British Leyland car workers were laid off yesterday, bringing to 7,000 the number affected by strikes which have halted production of seven models.

More than 3,500 workers are on strike at Leyland Cars in four separate disputes. Production at a dozen factories is affected.

The company's model programme is being seriously undermined just when demand for cars from overseas and home markets is beginning to grow again.

Production of seven key models, is at a standstill at a time when Leyland is advertising the Dolomite, Triumph Stag, Sprite and 2000 as halted.

Sanctions have also been used against the Triumph plant at Coventry joined nearly 1,150 other employees in the cars division in action over wages and work assignments.

About 5,000 Triumph workers were laid off and production of the Dolomite, Triumph Stag, Sprite and 2000 was halted.

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which have limited output for Leyland cars workers to recharge electric for trucks essential to maintain the production flow, and equipment breakdowns due to lack of maintenance.

At Coventry 30 internal truck drivers are on strike over work assignments—British Leyland management has been trying everywhere to extract a greater degree of labour mobility from the company's 1,000 are laid-off.

The strike by 400 toolroom workers at all eight Rover factories, one at Cardiff and a rest in the Midlands, has made 1,000 idle, and the Range-Rover and Land-Rover assembly lines are halted.

The toolmakers claim up to £2 a week extra, backdated to February 1975, because they say management has failed to take into consideration a national pay agreement on premium rates.

Management says categorically that the rates were incorporated in the plant agreement, and its offer to go to independent arbitration has been ignored.

About 700 workers who test cars and components are hampering the rationalisation programme of concentrating production at selected factories to feed several car plants by refusing to handle "transferred" work.

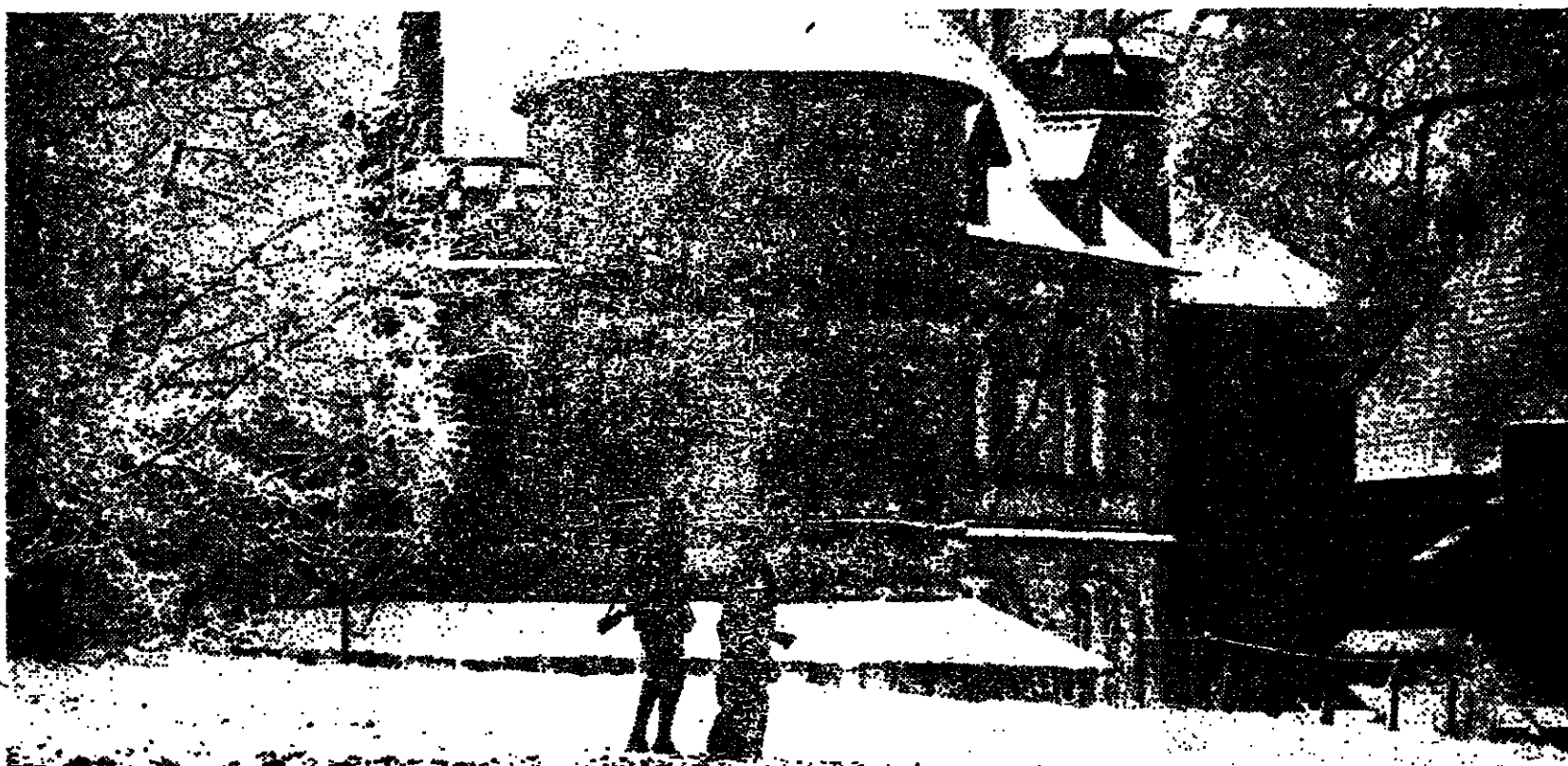
This programme is one of the most important elements of the degree of labour mobility from the company's 1,000 are laid-off.

A smaller strike, now in its second week, is by 32 toolroom operators at the SU Carburettor factory, Birmingham. They are fighting for pay increases due last December but withheld by the pay code.

Management has offered to make another approach to the Department of Employment, but this has not been taken up. While production continues, a protracted strike could hit the cars division as well as other customers in the U.K. and overseas.



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Beecham find the formula

When the Beecham Group decided to invest some £10m in a new pharmaceutical plant, they went into the project with tremendous detail. Just as you'd expect from such an experienced and successful company.

The site they chose was at Irvine New Town in the new Cunningham district of Strathclyde Region.

Irvine satisfied Beecham's requirements for space (37 acres), for labour (430 personnel), for natural resources, transport and housing.

The plant which produces Panclon G—the much new material for the Beecham range of antibiotics—has been operating successfully since August 1973.

Beecham's success in Strathclyde since then can be judged by the fact that they are now investing a further sum of £10m at



Irvine to double their output; this includes an expansion to the Fine Chemical operation. Beecham, who operate intensive training programmes and advanced apprenticeship schemes, are delighted with the calibre of the local workforce.

Says Mr. Jack Haldane, Works Manager, Beecham, Irvine.

"Irvine has met all the needs of a pharmaceutical manufacturing operation. The decision to expand our plant is the result of close and friendly co-operation between the company, its employees and the local community."

There can be no doubt that Beecham's decision to set up a plant in Strathclyde Region has been proved correct all along the line. Yet there is not an isolated case. Many other companies can tell similar stories of successful expansion.

And there is still room for a great deal more. If you have plans for expansion then contact the Strathclyde Industrial Development Unit. There you'll find experts ready to help, ready to guide you in terms of site location, labour availability, financial incentives and anything else which will help formulate your blueprint for future growth.

It makes no difference who you are, how large or small, where your markets lie. If you see expansion, we can help make it happen.

Strathclyde Industrial Development

Strathclyde Industrial Development, 21 Rotherwell Street, Glasgow, G2 6WJ. Tel: 041-221 4295

A series of expanding companies in Strathclyde

Women doubt union aid on opportunities

By Our Labour Staff

FEW WOMEN consider that trade union membership will help them achieve equal pay and opportunities, a new survey of working women claims.

One in four women in a representative sample of 1,000 readers of Woman's Own belonged to a trade union, with a further 21 per cent members of a staff or professional association.

But only about one in ten of them believed their union best represented their interests at work, while a third of the sample felt that their immediate superior or the company itself was better.

The survey claims to provide the first earnings figures collected since the Equal Pay Act came into force at the end of last year and, as surprisingly, suggests women are still paid less than men.

About 10 per cent of the women claimed they were not receiving equal pay, although entitled to it, and a further 10 per cent doing the same job as men were not aware of the equal pay rates of pay.

Women doing similar jobs alongside men—although not necessarily the same job—received nearly £40 a week take-home pay on average, some £10 more than women not working with men.

Average take-home pay for all working women in the survey was £28.40 a week.

The survey also claimed that the unemployment figure would be nearer 2m—instead of 1.25m. If the number of women ready and able to work but not registered as unemployed, was taken into account.

Only three out of ten in the survey had registered as unemployed in the past.

Multiple sclerosis

Now more than ever we need money for research

The recent disclosure in America that a causative agent in MS may have been isolated, has again raised the hopes of the 50,000 people in this country who have the disease.

These findings are without question a significant step forward in a line of research that has been followed for many years in many countries—including our own.

But much work has still to be done to complete our knowledge of the disease, though the likelihood of a major advance is greater at this moment than ever before.

Over the last two years, we have—through the generosity of people like yourself—been able to put over £250,000 behind carefully selected research projects in this country.

What we now need to do, is raise even more money to finance even more research, so that the possibilities opened up by the American achievement can be exploited as urgently and intensively as possible.

And this is not only vital for the thousands who already have this disabling disease, but for the many thousands—especially younger people—who will fall victim to it in the future.

The control of MS is still some distance off, but the pace of research is quickening. You could help to quicken it even more by sending as much money as you can to:

The Multiple Sclerosis Society, Freeport 230, 4, Fenchurch Street, London EC3A 3BQ. No need to stamp it, we pay the post. (Gift No. 5149355)

Help unlock the mystery of Multiple Sclerosis



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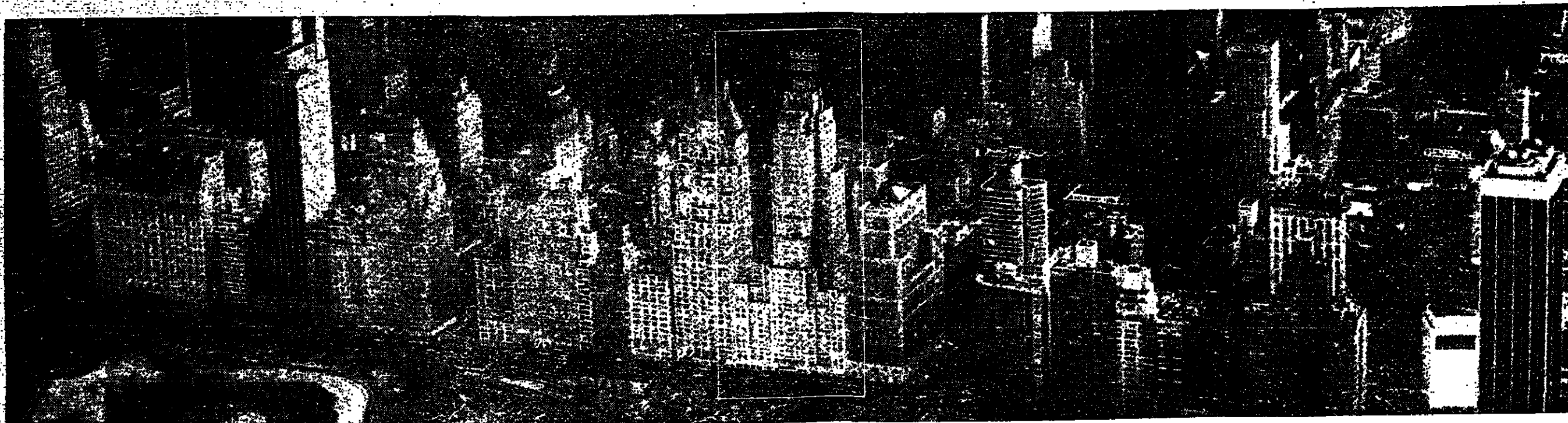
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"I have good news for international businessmen who have stayed at our grand hotel on Central Park in New York: you can now own a permanent apartment here."



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President and Chief Executive Officer
Marriott Corporation

"For many years, Essex House has been the hotel preferred by both American and international businessmen who travel to New York on a regular basis."

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More important perhaps, Essex House is the only hotel in New York that offers corporations the advantages of condominium ownership. There are other condominium buildings in New York, but as the only fully staffed and serviced hotel condominium, we offer precisely the comforts, security and convenience that corporate residents and international travelers depend on.

Furthermore, the condominium apartments at Essex Towers are solidly backed by the Marriott name. Synonymous with international hospitality, it is also the name of a major, blue-chip corporation, owned by some 40,000 stockholders and listed on the New York Stock Exchange.

Other major blue-chip corporations, with sales of over \$20,000,000,000 have already established their New York-homes here.

This fact alone indicates that we have created the perfect climate and environment for the corporate residence.

It is an environment you will not find at other luxury apartment buildings in New York.

"We maintain an exceptionally experienced and dedicated staff of 570 people to provide services for our hotel and condominium apartments."

Numbers alone are not as important as the calibre of our people. It has taken forty-five years to assemble a staff that functions with the precision and resourcefulness that make us one of the nation's few grand hotels. Many of our staff members have over a decade of service with us. Together, they speak sixteen languages. This has played a large part in our popularity with international executives and their families visiting New York.

We even have a separate security staff of fifteen that works around the clock, but never in uniform.

"Essex Towers is the only condominium in New York that exists within one of the city's great hotels."

In an effort to attract corporate tenants, some of New York's fine apartment buildings now advertise "hotel-like services." An admirable ambition, but if you require extraordinary

services, banquet and meeting rooms, excellent dining facilities, room service, a flower shop, a barber and a beautician, a physician, temporary secretarial help, valet service, laundry service, etcetera, etcetera, doesn't it make sense to look where this is all a matter of fact

instead of an advertising promise?

"If you locate your corporate apartment in an ordinary apartment building, be prepared for certain inconveniences."

At Essex Towers, we are prepared to set up and serve a formal dinner party in your apartment. White gloves, silver service, flowers, music, bisque to nuts.

While you are away, your apartment is kept spotlessly clean. We employ a supervisor for every six chambermaids. One of the supervisor's jobs is to conduct white glove inspections. Your refrigerator is also inspected. For a small charge, beverages, cheeses and snacks are replenished or replaced on a pre-arranged schedule.

"Having a hotel room at hand is a good deal more sensible than maintaining an extra guest room."

Don't forget that we are New York's only condominium hotel apartment. And that our hotel is one of the best in town. So when you need an extra room now and then or a hundred extra rooms for a special occasion, you'll have them. Without having to buy them or go to a hotel where they don't know you.

"I believe we're also the only condominium in New York that can offer your company custom-built residential accommodations ranging in size from 65 square meters to 632 square meters."

Thanks to solid engineering, the structural elements and load factors in our building do not include a forest of interior columns. So we are able to offer a custom apartment that precisely matches your corporate image and requirements.

Duplexes, triplexes, penthouses, terrace apartments, entire floors, adjoining private apartments, apartments with adjoining private bed chambers. These are a few of your options.

The extra time it takes to create a custom-built corporate apartment will result in a genuine original, unavailable elsewhere.

"Immediate occupancy? Of course, but that's a rather hasty phrase to describe the Marriott standard of luxury."

Marriott's long standing relationship with the world's business community has taught us a great deal about what it takes to make an executive feel completely at home. Over the years we have developed and perfected a style of living we call "the Marriott standard of luxury." This standard has resulted in rooms and suites that are unabashedly

conservative, always tasteful, substantial, comfortable, complete.

We have appointed a number of one and two bedroom apartments in this handsome fashion. Each has a large living room, butler's pantry or kitchen, and closets that lock. These apartments are available for immediate sale and occupancy. And are especially appealing to those who are accustomed to having their decisions instantly implemented.



"By all means, dispense with the preliminaries and contact us directly."

There are probably only about 6000 people in the world who are in a position to become one of our 200 owners. If you are among them, we want to hear from you as soon as possible to offer you the best selection and terms. We'll be pleased to arrange a most pleasant and private tour of our model apartments when you next visit New York.

Please contact me or my Vice President, Arthur J. Bossong, at Essex Towers. Our telephone number is (212) 581-9180. Or Telex: 892-767. Or write or call either of our international offices.

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MPs say 'Yes' to sound broadcasts

By Justin Long, Parliamentary Correspondent

THE COMMONS last night voted by a majority of 175 (289-124) in favour of allowing sound broadcasts of its proceedings. A similar motion for broadcasts of the Lords was approved by peers without a division.

With both the Government and Opposition leaders in both Houses ready to help promote such a scheme, the way is now clear to deal with the practical problems involved.

In the Commons, Mr. William Price, Parliamentary Secretary, Privy Council Office, said the Government would aim to establish a joint committee of both Houses to draw up the guidelines for a broadcasting system.

This committee would report back before the summer recess for the final approval of MPs. Then work could be carried out and broadcasting start in the autumn.

"To-night, we are doing no more than approving permanent broadcasting in principle, and asking the joint committee to tell us how it ought to be done," said the Minister.

The belief that many people wanted such broadcasts had moved several MPs, originally against them, to change their minds and opt to make last year's experiment permanent.

But Mr. John Stokes (C. Halesowen and Stourbridge), was against the plan. "I fear we may be judged more as actors and film stars than as Parliamentarians," he said. "It is not what we say here that matters, but what we do."

Mr. Neil MacFarlane (C. Sutton and Cheam), was concerned about the amount of space which would be taken up by broadcasting units. The idea of TV broadcasting was impracticable, he maintained, because of limitations on available space.

He rejected the broadcasting proposal because it did not include broadcasting of committees (manned by MPs and dealing with the details of Bills, or important aspects of the work of State departments).

The work done in committees, Mr. MacFarlane contended, was a vital part of Parliament. "Far more important than some of the knock-about stuff that goes on between 2.30 p.m. and 3.30 p.m."

In the Lords, Lord Shepherd, Lord Privy Seal, welcoming the proposal for broadcasts of the peers at work, said that it should be possible for both Houses to go ahead together on this.

Lord Carrington, Leader of the Opposition peers, said he agreed with everything Lord Shepherd had said. The House had no need to worry about whether the BBC was capable of editing the debate and speeches. The Corporation had already proved itself quite capable of that.

Liberal peer, Lord Winstanley also supported the proposal for broadcasts.

Commons public gallery packed for PM's questions

Wilson rejects Tory election call

There was a shout of "10 to 1 against" when Mr. Roy Jenkins, the Home Secretary, arrived. Loudest shout was reserved for possible front-runner, Mr. James Callaghan, the Foreign Secretary.

Mrs. Thatcher told Mr. Wilson: "In spite of the political battles, we wish you well personally in your retirement."

"The decision has come at a time of great financial difficulty and unprecedented Parliamentary events. The best way to resolve the uncertainty and give the new Prime Minister the authority required would be to put the matter to the people for their vote."

Mr. Wilson replied: "What ever may divide us in this House in policy and political philosophy, on occasions such as this, nice kind words like yours have been used."

But there was an outcry from the Conservative benches when he added: "I totally reject what you said in the second part of your question. I am not so sure you are all that keen on it either."

When the noise subsided, Mr. Wilson added: "My reason for saying that is there has been a certain degree of hubris about certain recent by-elections. 'You will find that these swings are much smaller than normally at this time in the life of a Parliament.'"

Mrs. Thatcher again challenged: "Would you try three weeks on Thursday? We would be ready."

When the Tory cheers died down, Mr. Wilson retorted: "We have been asking what expenditure cuts you would make. Your whole case depends on the votes of last week."

Looking at his colleagues behind him, the Prime Minister said: "My right honourable friend who succeeds me. But he never got a chance to end the sentence, as Conservatives chorused: 'Who? Who? Who?'"

Mr. Wilson, answering the taunts, said: "We have for long had the practice of democratic elections, not the scanty system of the Tories. Mr. Whiteley would have been leader of your party."

Mr. Jeremy Thorpe, Liberal leader, said: "Every Prime Minister who is worth his salt pines for a retirement on joining the party of ex-Prime Ministers, the only party which has doubled itself in a year."

Mr. Wilson would sit in the Commons and who his neighbours would be.

Mr. Thorpe wished the Prime Minister well, saying he would have more time with his wife, children and grandchildren.

Thanking him, Mr. Wilson said: "My successor will have his predecessor not only beside him but behind him."

Mr. Donald Stewart, the Scottish Nationalist leader, gave the Prime Minister his best wishes "without qualification" and said his party would welcome an election.

And ex-Conservative leader, Mr. Edward Heath, commented: "Any man who has been able to lead his party as successfully as you have, for 13 years, to be Prime Minister for eight years, as a good Prime Minister. But having won four elections, deserves the fullest tributes for his achievements."

There were roars of laughter.

Mr. William Molloy (Lab., Ealing N.) told Mr. Wilson: "You go without any knives in your back whatsoever."

To roars from Tory MPs, the Prime Minister replied: "Of course that is true." Mr. Wilson said he would go on answering questions as Prime Minister—he had already notched up 12,000—until his successor was appointed.

"I have made clear this decision was not a sudden one—indeed, I intimated to you, Mr. Speaker, many months ago."

In the Lords, Lord Carrington, Opposition leader, commented: "There may be those who differ about the Prime Minister's politics and certainly those who differ about whether or not he is a good Prime Minister. But there will be nobody here who would not wish him well in whatever he chooses to do in the future."

MR. WILSON had done "wonderful work" and would be "sadly missed" by the nation and the party, Mr. Ron Hayward, general secretary of the Labour Party, said in a message to the House of Commons and the House of Lords.

The resignation had come as a surprise, although when the Government was elected in 1974, Mr. Wilson did indicate to intimate friends that he was thinking of a two-year stint.

"His unique achievements will not be forgotten," Mr. Hayward added. "For the future all of us will continue our work to sustain our Labour Government."

The Parliamentary Labour Party will now commence the procedure for electing a new leader. The whole of the Labour movement will give full support to the new leader.

However, Mr. John Edén, MP for Bournemouth West, and a former Tory Minister, accused Mr. Wilson of irresponsibility for choosing to go at this moment— "for no other apparent reason than personal preference."

"He is doing this at a time when there is a major run on the pound. The will now precipitate a protracted period of uncertainty which can do our country and currency no good."

Mr. John Stenehouse, Labour MP for Walsall North, said: "I will help the Labour Government enormously."

The main thing now is to close the ranks and make a new leader, quickly as possible. "Nothing should be allowed to weaken the close relationship of the Government and the union movement and the union movement of both to redress employment and get into control."

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"Provided his successor takes policies determined by Labour Party, he or she will receive the full support of the membership."

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Mr. Wilson's announcement brought crowds to Downing Street despite heavy rain. Here, Mr. Peter Shore, Trade Secretary, struggles to reach his car after the Cabinet meeting.

Labour settles way to choose new leader

BY PETER HENNESSY AND JOHN HUNT

THE Parliamentary Labour Party last night framed a new election procedure to cope with the unprecedented event of replacing a leader while in opposition.

The electoral college of 317 Labour MPs (the Speaker, Mr. George Thomas, will not have a vote) will proceed, by exhaustive ballot, until one candidate wins a clear majority of all votes cast.

Nominations must be handed in by noon on Monday to Mr. Frank Barlow, secretary of the PLP. Thereafter, candidates will be allowed to drop out of the race but no new ones will be permitted to enter. Ballot papers must be returned not later than noon on Thursday March 25.

The figures will be declared as soon as possible, probably at a meeting of the PLP that same evening.

Following the pattern adopted by constituency Labour parties in selecting Parliamentary candidates, the candidate with the lowest number of votes will be eliminated after the first ballot. Should the two candidates with the lowest vote achieve a combined vote less than the total won by the candidate above them, both will drop out. The same would apply if the bottom three candidates achieved an amount less than a man or woman above them.

Should a second ballot be needed the result would be declared on Tuesday, March 30. If

the contest went to a third round, the result would not be known until Monday, April 5, the day before the Budget.

With Mr. Denis Healey's expected candidacy in mind, Mr. Cledwyn Hughes, chairman of the PLP, cited the precedent of Mr. Asquith who succeeded Sir Henry Campbell-Bannerman as Prime Minister in April, 1905, but proceeded nonetheless to introduce the Budget that he had prepared as Chancellor of the Exchequer.

Under normal conditions, Mr. Hughes said there would have been a week between receipt of nominations and a declaration of the result. By completing the first ballot procedure in mid-week, the PLP would save time. The lack of an established

procedure for finding the successor to a Labour Prime Minister caused great confusion at Transport House yesterday morning. One party official rushed to his home where he thought he had a copy of the method to be adopted in such an eventuality.

Mr. Hughes told a packed meeting of MPs that their's was a responsible task as they were choosing a Prime Minister as well as a party leader. It needed to be done with dignity and fairness.

With an eye on the current misfires of the Liberal Party, Mr. Jack Ashley, MP for Stoke South, appealed to the candidates to observe a "self-denying ordinance" and refrain from commenting publicly about each other.

Mr. Wilson attended the meeting but did not speak. He was warmly applauded after Mr. Hughes had paid him tribute.

MR. HEALEY would be taking into account representations made by MPs for further measures of real assistance.

Mr. Ian Evans (Lab., Aberdeen) asked Mr. Foot to meet TUC leaders. "Let us have some positive plans to bring down the rate of unemployment."

Mr. Foot agreed the Government had to take into account the very strong feelings among trade union leaders about unemployment in trying to secure the next round of the pay policy.

Mr. Robert Adley (C. Christchurch and Lynton) said that the Labour manifesto in 1974 told people that the economic crisis took the form of fear for their jobs, and that the Labour Party would be a check on this. Since then, their performance had been "squalid and disgraceful."

Mr. Adley urged Mr. Foot to introduce reflationary measures now.

Mr. Foot accepted that Merseyside was one of the hardest hit areas in the whole country, and the Chancellor of the Exchequer

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Next jobless figures 'still appalling'

THE NEXT unemployment figures, due on March 23, would still show "an appallingly high level of unemployment," Mr. Michael Foot, Employment Secretary, told the Commons yesterday.

But he added that he expected the number of job vacancies to increase gradually this year. Even under present harsh conditions, there was a considerable volume of turnover on the unemployment register, and many of the unemployed had a good chance of re-entering employment.

Mr. Robert Kilroy-Silk (Lab., Ormskirk) said that far too many people were still unemployed for far too long. "The problem is particularly severe on Merseyside, where people have had a dismal past and face a dismal future." He urged Mr. Foot to introduce reflationary measures now.

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MP seeks better rural transport

PEOPLE in villages were becoming increasingly isolated, often finding it difficult to visit their doctor, hospital, community centre or the neighbouring town, said Mr. Richard Luce (C. Shoreham) in the Commons yesterday.

Introducing his ten-minute rule Bill, entitled the "Transport (Amendment) Bill, Mr. Luce said urgent action was required to fill the social need for better transport in such areas.

The measure, which was given a formal first reading, would exempt private cars carrying less

than nine passengers from the licensing regulations so that drivers who gave lifts could receive contributions towards running costs.

It would also amend the licensing laws on mini-buses carrying less than 16 passengers and enable county councils to sanction their operation.

Another provision would amend the 1960 Road Traffic Act to give exemption from the normal licensing regulations for voluntary organisations, youth clubs, education authorities and other charitable organisations who wished to charge for transport.

Mr. Luce said transport in rural areas had been a growing problem in the past two years. The number of services had been reduced, fares had been escalating and many routes had become more unprofitable, while, at the same time, more subsidies for the National Bus Company were being demanded from the ratepayer and the taxpayer.

"The net result is a growing social problem."

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This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities. The offering is made only by the Prospectus.

\$100,000,000

American Cyanamid Company

8½% Sinking Fund Debentures due 2006

Price 99.50% (plus accrued interest)

White, Weld & Co.	Salomon Brothers
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Kuhn, Loeb & Co.	Lazard Frères & Co.
Paine, Webber, Jackson & Curtis	Reynolds Securities Inc.
Wertheim & Co., Inc.	Dean Witter & Co.
ABD Securities Corporation	Basile Securities Corporation
Robert Fleming	Kleinwort, Benson
SoGen-Swiss International Corporation	UBS-DB Corporation
The Nikko Securities Co.	Nomura Securities International, Inc.
Yamaichi International (America), Inc.	New Japan Securities International Inc.
Merrill Lynch, Pierce, Fenner & Smith	Kidder, Peabody & Co.
Drexel Burnham & Co.	Loeb, Rhoades & Co.
Smith Barney, Harris Upham & Co.	Warburg Paribas Becker Inc.
EuroPartners Securities Corporation	New Court Securities Corporation
Daiwa Securities America Inc.	

March 11, 1976

Pay initiative welcomed

EMPLOYMENT SECRETARY Mr. Michael Foot, yesterday welcomed the recent pay policy initiative by three top union leaders as "of major importance to the stability of the Government and the country."

He said in the Commons that the statement was constructive, intelligent and highly desirable.

The union initiative was mentioned in discussions with the TUC and (Lab. Chorley) who said there should be consultations on a new

policy with Labour's National Executive Committee and Parliamentary party.

Mr. Foot agreed that the consultations should go ahead. But he rejected a suggestion from Mr. David Mabel (C. Bedford) that draft guidelines on a new policy to be implemented in August should be published.

It is better for us to have discussions with the TUC and reach agreement like last time," he said.

To-day's Events

GENERAL

Defence White Paper published.

Chrysler U.K. management gives evidence regarding public expenditure on company to House of Commons Select Committee on Parliamentary Liberal Party.

Talks resume between Mr. Ian Smith, Rhodesian Premier, and Mr. Joshua Nkomo, African Nationalist leader, Salisbury.

Mr. Liam Cosgrave, Prime Minister of Irish Republic, meets President Ford, Washington.

National union leaders—and line managers and senior shop stewards from British Leyland, Ford and Vauxhall—begin two-day visit to Renault factories in Paris.

Financial Times two-day Industrial Relations conference opens. Royal Lancaster Hotel, W.2.

Mrs. Anne Armstrong, U.S. Ambassador, presents her letters of credence to the Queen, Buckingham Palace.

Sir Lindsay Rine, Lord Mayor of London, inaugurates Institute of Credit Management national conference, London Hilton, W.1.

Newspaper Society Euroforum, Chester.

AUEW youth conference, Eastbourne.

PARLIAMENTARY BUSINESS

House of Commons: Debates on private rented housing and on commuter rail services. Remaining stages of Housing (Amendment) (Scotland) Bill and of Education (School-leaving Dates) Bill (Lords).

House of Lords: Debates on need for home production of vegetables and fruit; on diminishing services in rural areas; and on exchange of prisoners after World War II.

OFFICIAL STATISTICS

Basic rates of wages and normal hours (February). Monthly index of average earnings (January).

COMPANY RESULTS

Barclay Group (half-year): Arthur Bell and Sons (full year); Brooke Bond Liebig (half-year); Hepworth Ceramic Holdings (full year); Thomas Tilling (full year).

COMPANY MEETINGS

Associated Paper Industries, Great Eastern Hotel, E.C. 2, 12.30.

Baring Brothers, 88, Leadenhall Street, E.C. 3, 12.30.

Cable Trust, Electric House, W.C. 12.15.

Sunderland, 12, SGB Group, Waldorf Hotel, W.C. 11.30.

Tate and Lyle, Europa Hotel, N. 11.30.

Temple Bar Investment Trust, Electric House, W.C. 10.30.

'He could have chosen time more tactfully'

"SURELY THE Prime Minister could have identified a more tactically opportune moment to implement his claims to be a long-term plan for his own career. If for nothing else, he has long been recognised for the sensitivity of his where in the world. The over-riding issue of the business community is a stable Government which keeps on course through difficult times and with Government expenditure a matter of economic waters. In the period ahead, such controversy as to divide his own party with a crucial Budget less than four weeks away and inflation still rampant with the respect of its foreign affairs directly involving community. In recent months, the critical situation in central Africa or Ireland, with domestic confusion over such basic political matters as devolution turned its attention to a Government programme to retire to do so."

Ross may be replaced

BY CHRIS BAUR, SCOTTISH CORRESPONDENT

TWO SPECIFICALLY Scottish questions raised by Mr. Wilson's resignation would impact on the next few days. Mr. Wilson, at present Minister of State at the Scottish Office, regarded as his most successful successor.

The leadership change bound to cause some uneasiness about the Government's Scottish Assembly. Those tipped as potential successors—Mr. C. Ross, Mr. Healey, Mr. Jenkins, Mr. Benn—are all Ministers who have nursed serious doubts about the devolution plans.

The Scottish Nationalist Party, which said yesterday it would "fairly prompt reassessment" of its position, is going to a high priority in the new government.

THE END OF THE WILSON ERA

Cheerful and jaunty

BY JOHN HUNT

At 4.00 p.m. precisely Mr. Harold Wilson, the Prime Minister, stepped onto the rostrum for the first time since his resignation. He was dressed in a dark suit, white shirt and dark tie. He was smiling and looking towards the camera.

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last week. But it was all old by Friday. After Thursday it was quite peaceful again. I don't really see any problem there. They don't need me to stay on as a doctor or healer."

Then, astonishingly, he asserted: "We have had much less quarrelling of late. We are much more united."

Arguing that the party had not lost touch with Socialism, he went on: "We are a broad Church. We have theologians and they sometimes assert that the only Socialism is the one that they preach."

Voices floated up from the gloom beyond the TV lights as determined questioners pressed Mr. Wilson on the state of the economy, sterling and the difficulty of drawing up the April Budget in the uncertainty created by his departure.

But again Mr. Wilson firmly declared that he saw no dangers. Sterling? "No problem there." It was true, he

agreed, that countries were having a difficult time with their currencies. Differing rates of inflation were causing problems of parity.

Belying his cheerful appearance, he declared: "I am not happy to go. It's a sad moment in many ways. But at the same time you feel a certain relief."

Already the Prime Minister was looking forward to greener fields. He conjured up a picture of himself as a humble back-bencher always ready to advise the new leader if his help was required. There would also be some long-term writing projects after a period, in which he intended to mull over questions of the constitution and the role of Government.

Then, marking the end of his 13-year love-hate relationship with the Press and television, he departed with a final ironic farewell: "I am happy to have been among friends. I forgive you all."

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Reactions from abroad
Untimely, believe
EEC diplomats

BY ROBIN REEVES

BRUSSELS, March 16.

THE SHOCK of Mr. Wilson's Prime Minister who will not resign was quickly superseded in Brussels by concern among diplomats and EEC officials over who will represent Britain at the forthcoming Common Market heads of government meeting in Luxembourg on April 1 and 2.

There was some irritation at what was viewed as Mr. Wilson's lack of consideration of European feelings in the timing of his resignation vis-à-vis the summit meeting, particularly since he had evidently made up his mind some time ago. Some sources felt it was the final illustration of the relatively low priority Mr. Wilson has in practice attached to membership of the Common Market club, in odd contrast to his obvious enjoyment of European links forged through other channels, notably the Socialist International.

As it is, the possibility arises of a European Council in which Britain is either represented by a transitory leader or by a new membership terms.

French caught unawares,
Dutch say: 'great loss'

PARIS, March 16.

FRENCH officials were caught unawares by Mr. Wilson's sudden announcement.

There was no immediate government comment in Paris, but when informed of Mr. Wilson's resignation plans, officials said they were surprised.

The first public reaction in France came from the leader of the Portuguese Socialist Party, Mario Soares, who was guest of honour on the lunch-time television news.

"I did not expect this resignation," he said, describing his reaction as one of "total surprise."

Mr. Wilson's relationship with the French authorities has frequently been uncomfortable, and he has often been the object of virulent criticism here.

U.S. taken by surprise,
but Mr. Ford knew

BY DAVID BELL

WASHINGTON, March 16.

THE U.S. was taken by surprise to-day by Mr. Wilson's decision and his resignation was covered fully in evening newspapers and on television.

Mr. Ron Nessen, President Ford's Press Secretary, said that it was not the Administration's practice to comment on "the internal affairs of other countries," but hinted that Mr. Ford had been informed in advance of Mr. Wilson's statement that he intended to step down.

Mr. Wilson has not always got a very good Press here, but he has lately been receiving a good deal of favourable comment for the way in which he has apparently managed to win the support of the trade unions for a programme of wage restraint.

All three of those who are being tipped here as possible successors—Mr. Callaghan, Mr. Healey and Mr. Jenkins—are well known to Administration officials and have paid many visits here in the past.

There remains, however, a good deal of puzzlement here that Mr. Wilson should have chosen this particular moment to resign.

Kremlin will miss him;
Peking preferred Heath

MOSCOW, March 16.

THE OFFICIAL Soviet News Agency Tass reported promptly on Harold Wilson's announcement and appeared to accept the theory that it was because he had turned 60.

"Political news analysts note that Wilson had decided to end his political activity at 60 even before the parliamentary elections in February, 1974, which brought the Labour Party to power," Tass said in a three-paragraph item from London.

Observers said the announcement came when Wilson's standing with the Kremlin was fairly high. His official visit here in February of last year is seen as having injected a new warmth into Anglo-Soviet relations which had been cool since the former Conservative Government expelled 105 Soviet officials from Britain on spying charges in 1971.

In Peking, Chinese officials declined comment on the British Premier's decision, but observers said Peking would not be displeased by the development.

Peking has long viewed Mr. Wilson as a representative of the "soft" attitude of West European Social Democrats towards Soviet expansionism. The Chinese greatly prefer Mr. Edward Heath, who was given almost Head of State treatment on his second visit here last September, Reuters.

Never popular figure
in South Africa

BY STEWART DALBY

JOHANNESBURG, March 16.

SOUTH AFRICA has reacted with a mixture of bemusement and indifference. Mr. John Vorster, the South African Prime Minister, made only a perfunctory statement saying that Mr. Wilson's going could "significantly influence British and European policies."

His statement followed a terse "no comment from Dr. Hilgard Muller, the Foreign Minister, when asked his views."

Most political observers think the resignation is relevant to South Africa only if it leads to a change in Government and precipitates a return to power of a Conservative Party-dominated Government.

Mr. Wilson has always been personally unpopular in South Africa because he and Mr. Denis Healey, who was Defence Minister in the first Wilson Government, are identified as the men behind the arms embargo against the Republic.

Mixed feelings in West Germany

BY NICHOLAS COLCHESTER

BONN, March 16.

SURPRISE and no great sorrow greeted the news in Bonn to-day that Mr. Wilson was to resign. It is clear that if either James Callaghan or Denis Healey succeeds him the personal relationship between the West German and British Heads of Government will be the better for it.

Circles close to Willy Brandt, the chairman of the Social Democrats, said that his reaction was strictly non-committal. He had had no warning of Mr. Wilson's intention and commented only that 13 years was a long time to be Prime Minister.

Chancellor Helmut Schmidt, too, had had no warning.

Israel salutes 'a great friend'

JERUSALEM, March 16.

FOREIGN MINISTER Yigal Allon expressed regret at the resignation of Mr. Wilson, whom he hailed as a great friend of Israel.

Foreign Ministry aides said Allon, who telephoned Mr. Wilson as soon as the news was announced, had known of Mr. Wilson's impending resignation for some days.

An editorial in to-morrow's labour daily Davar says that Mr. Wilson's resignation "brings to a close the political career of one of the outstanding personalities in the world arena in our days."

THE PRIME MINISTER'S STATEMENT TO THE CABINET

Change of leader will do us good'

WE JUST returned from the Palace where I had an audience with the Queen. I formally tendered to her a decision of which I had decided her early in December, that in the last year I would intend to make for a successor, and that I would resign Prime Minister as soon as the Parliamentary Party had completed the necessary constitutional procedures for electing a new leader.

In March 1974, I decided that I would step in office for no more than two years, yet not wavered in this decision and it is now. Indeed, I had originally intended it should take effect last September, but decided to defer it because of the paramount importance of ensuring the national acceptance of the counter-inflation policy the Government announced last July.

I must, of course, inform my colleagues of my reasons. I have been leader of this Party for over 12 years, during which time I have seen 3 exciting and turbulent years—nearly 12 of them in Government. My period as Prime Minister has been longer than that of any of my predecessors in this Party. These years of office spanned a period when Britain, nationally and internally, had to face storms and challenges that parallel in our peacetime history.

Talented team

But it is not only these last 12 years, in years in Parliament, I have been on one of the most talented teams in the country—almost 11 years in Cabinet. No one could ask for more.

To have led four Administrations, decided not only to solving the nation's economic ills but also to achieving a higher level of social justice and equality than our people ever known, is a privilege conferred on few men.

I have a clear duty to the country and to the Party not to remain here so long that the country is denied the chance to seek election to a new leader. This is the most experienced and talented team in this country, in my view, since that of Campbell-Bannerman 70 years ago. I am proud of that. A leadership on which I will do good in showing the country the way forward.

The fact that I am leaving shortly after my 60th birthday has no bearing on the choice made. I have reached 60 after 12 years' leadership, nearly eight of these in the front line. Some of my most distinguished predecessors were either just below, or just above, 60 when they became Prime Minister. I am sure that the country will benefit from the leadership of a man who is 60.

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of Britain was in doubt. It is not in doubt to-day, because the economic and social governance of Britain has been established on the basis of the consent of the people.

We have created a new relationship between Government and people to replace the clash and confrontation which, two years ago, almost brought this country to disaster. This is a far more united and determined people now than for many years.

Our counter-inflation policies have been accepted by the great majority of the nation. Our counter-inflation target for the end of this year is now in sight of achievement.

In 1975 the current account deficit on our balance of payments was less than half the deficit in 1974, even though we have had to meet—in a period of unprecedented world economic problems—a five-fold increase in the price of the oil we import.

The value of our exports is rising strongly—by 4 per cent in the last three months, compared with the previous three months—and at a much faster rate than imports.

World inflation

For two years, we have had to face the consequences of world inflation and world unemployment. But now the economy is beginning to revive. Business confidence is higher than at any time since the autumn of 1972. There are growing signs that the rate of increase in unemployment is running at a very much smaller level than last year, particularly the last three months of last year.

We inherited a dangerously distorted and unbalanced economy. We are beginning to get it right.

For the first time, industrial problems are being tackled by relevant micro-economic action in place of an over-reliance on clumsy, and often ineffective, macro-economic lurches; through NEDC and direct action to restructure and modernise particular industries; through NES and specific sectoral actions to strengthen our economic base, which is manufacturing industry.

We have embarked on the biggest programme of industrial training and re-training in our history.

We have carried through the greatest-ever improvements in the standards of pensioners and others dependent on the social services, particularly the disabled, previously so neglected.

We inherited the lowest house-building figures since the 1950s; we have restored the housing programme to over 300,000 houses a year.

In world affairs, our relations with the U.S., with European countries, East and West, and with the Commonwealth, are better than for many years. Our membership of the European Community has been confirmed. Our relations with the U.S. were recently described by President Ford as being "as good as they have ever been."

Now, for the future. Later this morning, I will meet the chairman of the Parliamentary Labour Party and propose that he calls a

special meeting of the Party this evening, to put forward the Liaison Committee's suggestions for the leadership election, so that nominations may be invited forthwith. I would hope that they may be able to devise procedures which enable full consideration to be combined with all reasonable speed—certainly more expeditious than the somewhat leisurely weekly procedures of the past.

I shall play no part in that election, apart from casting my own vote by secret ballot. Nor will I seek to influence a single member of the Party in his vote.

I shall remain in Parliament as long as my constituency will put up with me. I have not been inactive on behalf of my constituents. I hope to see more of them and put in more time on their behalf. I am above all a Parliamentarian; I love Parliament and want to go on serving it and serving in it.

I shall not go into industry, or take paid employment. I shall not accept the headship or other office in any place of learning, apart from my present relationship with the University of Bradford. I may give occasional lectures here or abroad, as I have for many years, but not to the detriment of my Parliamentary work.

I want to say this to my successor, whoever he or she may be. This is an office to cherish; stimulating and satisfying. You will never have a dull moment; you will never get bored. But it is a full-time calling. These are not the easy, spacious, socially-orientated days of some of my predecessors. Apart from quite generous holidays—when, thanks to modern communications, I have never been more than moments away from Downing Street—I have had to work seven days a week, at least 12 to 14 hours a day. But the variety and interest—with, usually, at least 500 different documents or submissions to read in an average week-end after a busy week—means that you do not get tired.

Every Prime Minister has his own style. But he must know all that is going on. Even if he were tempted to

The Executive's World

EDITED BY JOHN ELLIOTT

EUROPEAN SALARY SURVEY

Poor U.K. managerial pay levels

BY NICHOLAS LESLIE

EUROPEAN MANAGEMENT in spending power remains at the lowest level in Europe, only £16,600, the U.K. executive in relative terms improves his position to £11,400.

The effects of the cost of living adjustment can be significant. Whereas the spending power of the French chief executive moves from an actual £21,800 net remuneration to a relative £14,700, his Spanish counterpart receiving £17,700 has a relative spending power of £21,200.

Throughout the countries surveyed it is normal practice to relate top executives' remuneration to the salary of the chief executive, whose level of responsibility is regarded as the highest. It has therefore been possible to show in percentage terms the relationship of the top remuneration for each senior management position to that of the chief executive in each country, and thus the relative level of responsibility.

These vary widely from country to country. While a top financial executive salary and responsibility in relation to the chief executive stands at 71 per cent. in Holland, 66 per cent. in Spain, 58 per cent. in the U.K. and 60 per cent. in Belgium, he ranks at only 47 per cent. in Italy. On the other hand, the top administrative executive in Italy, at 53 per cent., is ahead of Belgium at 50 per cent., although lower than the 55 per cent. in U.K., 59 per cent. in Spain and 79 per cent. in Holland.

The value of the personnel executive is rated most highly in Holland, at 66 per cent., followed by Germany at 58 per cent. Lowest is Italy at 44 per cent., while France, Spain and the U.K. are 46, 47 and 48 per cent. respectively.

The incidence of companies which pay executive bonuses varies greatly. On the other hand, it was found that those companies which do pay bonuses reported that their average basic salaries were not greatly different from non-bonus paying organisations, the average being about 10 per cent. The highest number of bonus paying companies was in Germany—84 per cent. of all companies surveyed—with 88 per cent. of their executives entitled to a bonus. The amount of bonus paid represented 32.7 per cent. of the total compensation to all U.K. company executives and 15.3 per cent. of the total salary of the executives.

Next to Germany with bonus payments was Holland—77 per cent. in the cent—and 95 per cent. of their K. executives were entitled to such

NET REMUNERATION ADJUSTED TO COST OF LIVING

Belgium = 100

Position	Total net remuneration £	Net adjusted to cost of living £	Relative net remuneration rate
Chief executive			
B	14,600	14,600	(100)
F	21,800	14,700	(99)
G	17,000	15,500	(94)
I	14,400	14,400	(99)
N	12,200	11,800	(71)
S	17,700	21,200	(128)
Sw	19,300	15,200	(92)
U.K.	9,700	11,400	(69)
Marketing sales			
B	12,600	12,600	(100)
F	12,800	12,300	(96)
G	12,200	11,300	(89)
I	9,400	9,400	(85)
N	9,600	9,200	(73)
S	12,100	14,500	(116)
Sw	14,400	11,450	(91)
U.K.	7,300	8,650	(69)
Finance			
B	11,500	11,500	(100)
F	12,300	11,200	(96)
G	10,800	9,900	(87)
I	9,200	8,750	(77)
N	12,200	14,500	(126)
S	13,400	10,500	(92)
Sw	6,450	7,900	(69)
U.K.			
B	10,400	10,400	(100)
F	12,350	11,250	(106)
G	10,200	9,200	(88)
I	9,100	10,300	(99)
N	9,700	11,500	(110)
S	5,600	6,600	(64)
Sw			
B	9,800	9,800	(100)
F	9,400	8,500	(87)
G	10,200	9,250	(95)
I	8,300	9,150	(98)
N	8,400	8,450	(87)
S	11,900	9,400	(98)
Sw	5,550	6,450	(69)

B—Belgium; F—France; G—Germany; I—Italy; N—Netherlands; S—Spain; Sw—Switzerland; U.K.—United Kingdom; Management Centre Europe's table appears in dollars and these conversions are based on an exchange rate of \$1.91 to the £.

figures of 12 per cent. in 1974 and 15 per cent. in 1975.

Stock option plans, which are fairly common for top executives in the U.S., for example, have still not achieved much popularity in Europe. The highest figure was 14 per cent. in Switzerland, about 10 per cent. in Germany and Spain, and what the survey describes as "negligible" elsewhere.

One area where the U.K. executive can take comfort as being ahead of his Continental rivals is with the company car. Of companies surveyed, 97 per cent. of those in Britain had cars while Holland and Germany followed with 88 and 85 per cent. respectively. Spain was bottom of the list at 60 per cent. Switzerland, at 64 per cent., had the highest average car price of about £4,900.

Pensions

When it comes to social security and pension benefits, the survey maintains that the Italian system "is the most comprehensive in Europe in terms of extent of benefit coverage, and thus has the highest contributions." But despite the extensive social security cover, mandatory and voluntary supplementary benefit programmes exist, the mandatory one taking the form of termination indemnities payable in accordance with collective agreements applicable to each sector of employment.

In Austria, occupational benefit plans have been particularly designed for higher paid employees with earnings above the current social security ceiling, for whom a benefit gap exists. Austrian law stipulates that, apart from compulsory coverage under social security, employees acquire the right to termination indemnities after three years of uninterrupted service.

Germany's system provides comprehensive earnings-related pension cover, funded through a pay-as-you-go system. Benefits are linked to a dynamised pension formula which keeps abreast of the general wage trend. Coverage is compulsory, irrespective of earnings.

Top Management Remuneration

Europe 76, Management Centre Europe, Avenue des Arts 4, B-1040 Brussels, Belgium, Birs.11,000.

Profit sharing was found to be a relatively minor system of payment throughout Europe, the least number of bonus-paying companies—34 per cent., the only country where it is with 84 per cent. of their executives having entitlement and with the payments representing 14.4 per cent. of total salary.

On the other hand, the pattern changed when isolating companies which operate formal incentive bonus schemes. On this criterion Holland emerged with only 11 per cent. of companies having such schemes, which was well below Belgium's 25 per cent., the U.K.'s 32 per cent. and Switzerland at the top of the list at 51 per cent.

BUSINESS PROBLEMS

BY OUR LEGAL STAFF

Landlords and tenants

With reference to the reply under the heading Landlords and Tenants (Business Problems, March 3), dealing with the repairing obligations of a landlord of a controlled statutory tenancy, it has been pointed out to us that under Section 10 of the Housing Rents and Subsidies Act 1973, a landlord of a residential tenancy that is statutorily controlled is entitled to increase the tenants' rent in respect of any works carried out on the property since April 6, 1973, the costs of which were defrayed by the landlord.

The Act lays down a simple formula that the permitted annual rent of £100 on a six acre is the annual equivalent monthly basis, could you please

Landlords and tenants

of 123 per cent. of the total repair expenditure. Thus, if our enquirer had expended £100 since April 6, 1973, he would be entitled to increase the annual rent by £123, or 24p per week forthwith. Any further future expenditure would serve to increase the rent on the same basis. All that is required to implement the increase is service of a Notice upon the tenant, and blank copies of this form are obtainable from any legal stationer.

Agricultural tenancy

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Landlords and tenants

As the tenancy is not for periods of less than a year, the tenant will have the protection afforded by Sections 25 and 24 of the Agricultural Holdings Act, 1948. This means that you cannot resume possession of the land (unless the Agricultural Land Tribunal consents) so long as the tenant complies with his obligations under the tenancy and the rules of good husbandry, and does not die or go bankrupt.

When the Emperor Hadrian arrived in the North East in AD 122 the story goes he was so attracted to the place, that he planned and built an enormous wall especially to keep out all like-minded entrepreneurs. And with not a little help from the locals, he succeeded.

But nowadays it's much easier for enterprising people to reap the benefits of setting up shop in the North East. Tyne and Wear has Special Development Area status which means substantial Government financial benefits to industry and commerce. Savings which can total 45% of capital outlay. Financial assistance is also available from the County Council.

And we are building our own factory units from 2,000—10,000 sq. ft. as part of a £2m. industrial development programme. Right now we have over 500 acres of prime industrial land ready for occupation and more than 250,000 sq. ft. of superb office accommodation.

Of course, the locals are much more friendly today. In fact in many quarters we are known as the 'Friendly County'. Our history of labour relations is excellent, and we have a ready and willing labour force. If you've got plans for expansion and you're getting nowhere fast, send for help today. Speak to Peter Waring on 0632 816144 or write to him at Tyne and Wear County Council, Scottish Life House, Archbold Terrace, Newcastle upon Tyne NE2 1ED.

People planning something special can make it big with our help.



Tyne and Wear
County Council

We've always attracted enterprising people.



TRAINING

How Mr. Healey's money is spent

BY ELSBETH GANGUIN

DURING THE past few months it has often seemed as though politicians and union leaders regarded a continuous flow of special Government funds for training projects as a wonder-weapon which would do away with Britain's unemployment problems.

This of course is not the case, even though training has a basic role to play in preparing industry for the future and especially for improvements in the country's economy. At the same time however it must be remembered that "training for stock" cannot work for long in practice and that jobs must eventually be found for those who are now being trained or retrained at the Government's expense.

On the training side there have been two major batches of "special measures" money from the Government—about £70m. for the 1975-76 training year and another £55m. for 1976-77. In addition there has been £70m. for job creation projects to last to the end of March 1977, which also contain an element of training.

Opportunities

In charge of spending the money is the Manpower Services Commission whose training arm, the Training Services Agency has allocated the £70m. for 1975-76 between the industrial training boards (ITBs) and the Training Opportunities Scheme (TOS). The subsequent £55m. will go entirely to the training boards because TOS has all the money it feels it can spend in a worthwhile way. When the additional money has meant is that it has been possible to bring training schemes forward. At the same time there also seems to be a welcome change in attitudes towards training and the apparent disinterest generally displayed in training some years ago has at least lessened.

The money given to TOS has meant that expansion could be brought forward and its present target of 80,000 trainees for 1976 compared with a 1975 figure of 60,000. Of the 1976 trainees, 25,000 will attend Government training centres—known as "skill centres," largely for engineering, construction, motor vehicle repair and servicing, and electrical and electronics courses. Another 45,000 will take college courses, many of them for clerical training. Waiting lists are growing with 20,000 applications last December and 29,000 in January—double the figure for a year before. But there still remains a "fall-out" of perhaps

one quarter of applicants before they even complete their applications, while one-third of the final applicants may be rejected. In addition, of those who start the courses, up to 30 per cent. may not finish.

Only about 60 per cent. of the trainees leaving the skills centres however find jobs at the end of the course or soon afterwards. In the past, the boast was that 90 per cent. or so were placed at once.

Trade union support for entry of TOS trainees into jobs is being highly praised, as is their co-operation with the other "special measures." Of course, there is strong trade union representation and participation on the MSC and the ITBs, which has obviously proved helpful. Indeed, those concerned with the job creation

Government funds for industrial training are often criticised but they can also help companies sort out their manpower needs and plan for better times

programme in particular stress the benefits of close co-operation between the MSC, CBI, TUC and local government. TOS is also using its enhanced funds to provide courses for youngsters, who were not included in the past. The aim is to cover some 6,000 this year with 13 to 16 weeks training courses on semi-skilled work for building operatives for example. There are also occupational selection courses, containing an element of assessment of potential and training in "life and social skills" plus "wider opportunities" courses, which are to some extent rehabilitative. Subsequent placements in jobs are said to be moderately encouraging. But while some youngsters may end up on job creation projects, others may be forced back on "the dole."

Higher level white collar casualties, who are entered on the MSC's Professional and Executive Registers, are invited to one-day TOS seminars, when they are told about training opportunities. About one-third of them express an interest in this and they can go on to what are known as transfer-of-employment courses which are run for two weeks in a dozen colleges or so. The aim is to cover some 5,000 such executives this year, compared with half that number in 1975.

On the ITB side, the special measures funds are mainly employed to build a "required skills base" for industry, or, in short, to keep up the numbers of skilled workers. Last year the funds arrived late and a stop-gap programme had to be developed in haste, but now a planning process is beginning to develop.

The TSA intends to make agreements with industry through the appropriate ITBs in good time for laying down contingency plans in case the economy has not picked up by late autumn. Measures can then be taken to maintain future supplies of skills, very largely by financing the entry of youngsters into apprenticeship training. To this end a TSA-ITB working party has been set up and there have been meetings with ITB chairmen and chief officers to discuss the manpower patterns and problems in their industries, and to design the necessary remedies such as making good any shortfall in long-term training.

Not much, however, can be done in the present state of the economy to organise the short-term training which may be needed later, but one can ensure that relevant training centres do not have to close down during the recession only to be lost for good.

Employment

In short, this is a wonderful opportunity for industry to sort out its manpower needs under the "special measures" umbrella. The TSA, moreover, would also like to receive as many proposals as possible for training in employment, as opposed to making awards for training the unemployed. Extra funds will however only be used to pay for training which employers cannot reasonably be expected to do themselves this year and it is expected that assistance will go towards some 24,000 training places in this way.

Apart from its concern with young entrants, the TSA may also help companies to retain their employees instead of making them redundant—or to train them ahead of redundancies.

Finally, there is the job creation programme. The projects, which last for 30 weeks on average, not only have a substantial element of "community benefit" but also try to assess and bring out the potential of the participants themselves and guide them towards appropriate training—again underlining the usefulness of the money Mr. Healey has been allocating to manpower and training.

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THE END OF THE WILSON ERA

political pragmatist who keeps his options open

ASSESSING the Prime Minister's career, Mr. Wilson—who was only 35 when he took office in 1964—has a record of the longest-serving time in office. This may be helpful to answer two questions: fundamentally radical or conservative? And was it luck which led to his success? (The course of the last is, of course, a matter of opinion, which led to his...)

many ways the answer to the first question is probably "Copper might have put all of them up to a point of view—conservative, and skilful". Wilson's character is certainly the key to his success. It seems to have grown from his early years, non-conformist childhood made him a passionate, but shy, and cautious, man, with personal warmth, but not of the typical Yorkshireman. He is a more just, but not of the typical Yorkshireman. He is a more just, but not of the typical Yorkshireman.

rengthened concept was strengthened by his own considerable intellect and early political success. First there was his role in the Oxford Union, then a brilliant "first" in Philosophy and Economics, then a valuable statistical role for Lord Beveridge, then the war-time rapid promotion in the civil service, becoming Britain's first-ever President of the Institute of Trade in Mr. Atlee's cabinet. Other influences in Mr. Wilson's early life have been occasionally conservative, but his determination to do the pound's existing right up to 1967, a "citizen" who some of his senior "guys" wanted devalued before then, and also made

him loyal to old and young friends, sometimes delaying too long in dismissing them. Mr. Wilson's early intellectual training made him a consummate parliamentary debater. But the Wilson image of the inflexible, hard-line, in itself an admission that he had more than a streak of Walter Mitty in him—was tarnished badly in 1970, when he made the second major parliamentary misjudgment.

the need to restrain high wage claims—through the processes of "consent" and bargaining with labour leaders which produced the social contract. Once in Opposition again, he felt his first priority was to reunite a party bitterly divided over Britain's entry into the EEC. Some of Mr. Wilson's friends claim that he had long been "a secret pro-Marketeer" on the

considered going back to the frenetic "100 days" type of Prime Ministerial government which he launched in 1964. Although an admirer of John F. Kennedy's theory of "Presidential" government, the economic calamities of 1966 and later those over "In Place of Strife" had put paid to that. His third and fourth administrations have been notable for the way he delegated and shared responsibility—particularly with his informal "inner Cabinet" of Mr. Denis Healey, Mr. James Callaghan and Mr. Michael Foot—as well as taking the role in Cabinet of a shrewd chairman.

Originally a Bevanite—he resigned from the Attlee Government with Nye Bevan over the issue of the National Health Service in the election for the Party leadership following the death of Hugh Gaitskell. He won that contest with the support of the Left-wing and most of the centre of the Parliamentary Labour Party. Although believing, like Attlee, that the Party must be led from a left of centre position, Mr. Wilson is above all a political pragmatist. For instance, he favours nationalisation where justified by a good economic or political case, but is chary of it as an article of dogma. His commitment to the concept of a mixed economy is total.

Own ideas In the past two years he has ensured, through his chairmanship of important Cabinet committees and his powers to appoint and dismiss Ministers, that Mr. Wedgwood Benn's version of the Industrial Bill and the National Enterprise Board were brought into line with his own ideas and those of Mr. Harold Lever, Chancellor of the Duchy of Lancaster.

From Labour's point of view, it is perhaps regrettable that the "new Wilson"—in spite of defects—should now retire at a time when someone of his skills would be urgently needed to hold the warring elements of the Party together. For the Conservative, it largely depends on who is chosen as Mr. Wilson's successor and on his performance, whether the Prime Minister's departure is a matter for political rejoicing or anxiety.

John Bourne

MEN AND MATTERS

The seven: how they got to the race

Whatever the pundits say, the odds which the bookmakers offer the punters are usually not too far from the mark even on complex political issues. So far the Labour leadership stakes lists seven named runners at 25 to 1 or less, with everyone else at 35 or better.

Uncharitably, Shirley Williams, the only female among the seven, is the outsider at 20 to 1. At 45 she is the youngest of those who might offer a serious challenge, and probably the most liked outside the House: in a poll last year she was voted the country's most popular MP. Mrs. Williams has been in the House since 1964.

After a varied apprenticeship which included spells at the Ministries of Health, Labour, and Education, Mrs. Williams came to the fore as Secretary of State for Prices and Consumer Protection. This political hot potato she has managed adroitly, winning real respect from the business community along the way. Like one of the more favoured candidates, Roy Jenkins, she is a committed European.

The recent eclipse of Anthony Wedgwood Benn (16 to 1) and since last June a notably quiet Energy Minister after a controversial year as Industry Secretary, is probably more dramatic than it might at first appear: as long ago as 1971, the odds on him becoming Prime Minister were actually put at 10 to 1.

Tony Benn, as he has wanted to be known since the 1974 election, is on record as having wanted to be an MP when he was 15. His father switched from Liberal to Labour pre-war, and Benn junior took his present Bristol seat on the resignation in 1950 of Sir Stafford Cripps. In the early sixties, Benn's fame stemmed mainly from his ultimately successful fight to renounce his peerage.

Ministerial office came in 1964 when he was made Postmaster-General: two years later he became a gadget-loving Minister of Technology. His maverick qualities can really be traced to his 1970 party rank-breaking call for a referendum on the EEC. Increasing stridency on matters like worker participa-



INFLATION DEVALUATION UNEMPLOYMENT RISING PRICES

tion while in opposition ensured much apprehension among businessmen when he became Industry overlord in 1974. By that time, he had swung anti-EEC, and became the chief character in the referendum campaign on the "No" side. Perhaps his enemies should all have taken more notice when, as an earnest PMG in the pragmatic mid-sixties, he said: "I am becoming more revolutionary as I get older." He is now 50.

Believer

Employment Secretary Michael Foot (12 to 1) is one of the Commons' best speakers, was a Nye Bevan ally, is regarded as a keeper of the party conscience, and, as a 62-year-old ex-journalist of distinction, has lately been embroiled in the row over the closed shop/Press freedom issue.

His father became a Liberal MP in the twenties. Michael Foot (one of a famous brood that includes Lord Caradon and Dingle Foot) was a Plymouth MP from 1945 to 1955. Since 1960, he has represented Ebbw Vale.

That journalistic career included one strange stunt: he joined Beaverbrook's right-wing Evening Standard before the last war, and rose to be acting editor. Later, when Foot was editor of the Socialist Tribune paper, Beaverbrook paid out to keep it going. Foot turned down an offer of a job in the 1966 Labour administration, which he clearly saw as revisionist but joined the Cabinet in 1974 with staunch belief in the new social contract.

Another man in the firing line of late has been Anthony Crosland (8 to 1), an Environment Secretary under attack for

the Government's policy (or perhaps non-policy) on the railways culminating in the resignation of British Rail chairman Sir Richard Marsh.

Crosland, 57, MP for South Gloucestershire 1950-55 and Member for Grimsby since 1959, became Minister of State for Economic Affairs after 1964 election. But prominence outside the party really came when he moved to the Education and Science Secretary, which gave him a chance to pilot moves towards mass comprehensive education.

The New Statesman thought that though the late Richard Crossman had always enjoyed the mantle of the party's "philosopher king," the title really belonged to Crosland, whose *The Future of Socialism*, published in 1956, was acknowledged as setting the tone for Labour in the Gaitskell era. After Education and Science, Crosland was successively President of the Board of Trade and Local Government and Regional Planning Secretary, the last good preparation, presumably, for the relatively tougher job of an environment overlord in the recessed mid-70s.

Roy Jenkins shares the same odds as Tony Crosland, and, like Crosland, is to the right of the party's right wing. He is 55 and has been an MP for 28 years, serving as Chancellor of the Exchequer between 1967 and 1970, and now on his second stint as Home Secretary. In the early 60s, Jenkins spent two years as the director of financial operations at the John Lewis Partnership, but more recently his career has been influenced more than anything else by his stance on the Common Market.

It was his passionate pro-European views which caused him to resign as shadow chan-

cellor and deputy leader of the Labour Party in April 1972. Since then he has emerged as the leader of Labour's right wing, moderates—at the same time making himself a target for the left, who will find it hard to forget his remark during the run-up to the referendum that he found it "increasingly difficult to take Mr. Benn seriously as an economic minister."

The present Chancellor, Denis Healey, is rated second favourite (7-1) and like Jenkins was educated at Balliol College, Oxford. At 58 he has represented a Leeds constituency since 1952. As Chancellor of the Exchequer since 1974 he has had to bear the main brunt of the "blame" for the anti-inflationary measures. The cuts in public expenditure which he proposed brought not only the Government's defeat in the House last week, but also personal unpopularity for him with the following.

Front runner

The front runner, in the betting at least, is James Callaghan (5-1), comfortably the oldest of the seven (64 this month) and could be regarded as elder statesman, caretaker, or compromise candidate. He has been an MP for Cardiff constituencies since the War, and with his education cut short by his father's death in World War I, is the only favoured candidate who does not have a university degree.

Against that he shares with Rab Butler the distinction of having been Home Secretary, Foreign Secretary, and Chancellor—a feat which has not been matched by anyone else in this century. As Chancellor he had to suffer the 1967 devaluation, but in the later 60s he regained political prestige through his handling of the Irish question.

Callaghan's most recent success has been his handling of the re-negotiation of the terms of Britain's Common Market entry. He has had his critics, but achieved the deal which was approved in the referendum. He has never been a committed pro-European like, for example, Roy Jenkins and Shirley Williams, and tended to keep his head well down in the referendum debate when others were taking passionate sides. He is known as an assiduous cultivator of trade union allies.

Observer

Advantages of a non-hero

NE thinks that clever leadership could have averted the decline in this country's economic standing and thinks that there was a politically feasible cure. It is, then, the verdict on this country's economic performance is unfavourable. If one believes that no cure existed, and if the contrary, things have gone a great deal better than they did, the verdict is very different. Indeed, the writings of those who speak in favour of a temporary official in the Department of Economic Affairs, I remember an anguished meeting before a Parliamentary debate at which officials racked their brains for ways in which the economic situation could be painted in rozier colours. There was no need to worry. For on the night the Prime Minister produced what he called "a killer" of a speech, in which he listed the number of Bills through Parliament and the percentage of the manifesto fulfilled and set down to a triumph.

Expectations

Mr. Wilson was by responsible for whipping up expectations about a future once the fuddy-duddies were out of the way. Technocrats in charge, this he was voicing a sedate sentiment. The 1960s were the Kennedy years, it was thought that style and an absence of ideology could move us. The basic divide in the country was between those such as Mr. Wilson who introduced by instituting administrative and those who thought that the key to a more under demand, management and fewer inhibitions. Those who saw through the promises, and who thought that it would be difficult to maintain the rates of the past, have to condemn Mr. Wilson's company excludes overwhelming majority of us, economists and others, myself among

But the issue recedes in significance from the perspective of 1976. Early devaluation would not have avoided the conflict between traditional full employment objectives, the strike threat system and maintaining a usable currency. The conflicts a usable currency.

The Prime Minister's most successful political period, but most questionable economic one, was between the 1964 and the 1966 elections, when he carried on with a razor-edge majority. As a temporary official in the Department of Economic Affairs, I remember an anguished meeting before a Parliamentary debate at which officials racked their brains for ways in which the economic situation could be painted in rozier colours. There was no need to worry. For on the night the Prime Minister produced what he called "a killer" of a speech, in which he listed the number of Bills through Parliament and the percentage of the manifesto fulfilled and set down to a triumph.

Nevertheless, if there was an election, which Labour deserved to lose, it was that of February 1966. Almost every economist inside and outside Whitehall knew that inflation was increasing, unemployment would have to rise and that a major crisis was in the making. Even the warmest adherents of "little Neddies" and voluntary incomes policies could not see them as a substitute for conventional economic measures. But by July of the same year, when the much denied crisis had occurred—and had been attributed to the "moaning minorities" of the Press, who joined the select company of the speculators—and the short sellers of sterling—Mr. Wilson had become something of a City hero. He had frozen wages, cut back demand, and refused to devalue.

Mr. Wilson did not defend sterling to the last ditch, as some of his Conservative critics urged. He could almost certainly have held out longer if he had tried. Nor did he hesitate to eat his words over maintaining a British presence East of Suez, to which if anything he was even more emotionally attached. Although Mr. Wilson's decisions were taken too late and too soft-pedalled, there was in the last resort no insurmountable obstacle to rational action once

sufficient pressures had accumulated. This is more than can be said of many leaders.

The most successful period of the Wilson Government, and indeed the most successful period of economic management that the U.K. has had for a very long time, was between the 1967 devaluation and the 1970 election. After a slow start, public spending was frozen as a proportion of the national product, the money supply strictly controlled, on any definition you like, and there was a public sector financial surplus. Mr. Anthony Wedgwood Benn was making oratorical statements about technology and even dishing out money to a few lame ducks in the name of socialism. But by and large there was an attempt to run a social market economy, with both terms in that expression given due weight.

Union law

Mr. Wilson, like Mr. Heath after him, tried to reform union law, but retreated without taking it as far as legislation. Opinions will differ about which failure was the more glorious. Mrs. Margaret Thatcher will not fail, as she has announced that she will not try.

The running in these years was made by Mr. Roy Jenkins, then Chancellor, while a very important role was played by Mr. James Callaghan whose influence and authority were granted a new lease of life when he became Home Secretary. But Mr. Wilson was in the last resort responsible. Even an economic commentator must be allowed a reference to the libertarian achievements of that Government which did more "to set the people free" than private enterprise rhetoric from the other side of the fence, unaccompanied by action.

Just as the Wilson Government did not deserve to win the 1968 election on economic grounds, it did not deserve to lose in 1970. Of course, if Mr. Jenkins had remained Chancellor, he would not have found it easy to maintain the monetary guidelines in the face of rising unemployment and the frustration of wage-earners. But he was not given a chance to try.

It was during Labour's period

of Opposition in 1970-74 that Mr. Wilson really paid for all the lip service he had given to traditional socialist slogans and his failure to continue Mr. Gaitskell's re-thinking exercise. The policies of 1967-70, like those adopted by Mr. Wilson since the 1975 Common Market referendum, would not have seemed so much of a betrayal to the Labour movement if they had been properly explained—at the risk of the exit of those who do not value the freedoms of a mixed economy.

Repeat

Mr. Wilson's behaviour as head of a minority government in the Short Parliament of 1974 was a repeat performance of 1964 to 1966. The political sleight of hand was still there. So was the economic strategy of "vote now, pay later." Again, the second 1974 election was followed by a sincere determination to tackle economic problems, although in a highly conventional way, and taking care never to take on the union battalions again. But trade-offs had deteriorated, business and the middle classes were more embittered, while the sense of betrayal on the Left was greater still.

It is not clear if the latest phase of pay control, based on a concordat with the TUC and managed State capitalism, owes more to Mr. Wilson or to Mr. Denis Healey. But if one fears that this is the wrong road, and that the apparent short-term success of wage control will eventually tempt the Government into another bout of dangerous fiscal and monetary expansion, then there is no credit over which to fight. On a longer-term perspective Mr. Wilson's leadership has had one great advantage. One felt that no trigger, whether military or economic, which would bring suffering and destruction to thousands in the name of some principle would be pressed. The more heroic type of leader is not so magnificent if he fights in the last ditch over a principle which proves to be cruelly mistaken. The risk of this is so high that I am inclined to give our retiring Prime Minister the benefit of a good many doubts.

Samuel Brittan

GEICO's particular problems

BY A CORRESPONDENT IN NEW YORK

FINANCIAL TIMES REPORT

Wednesday March 17 1976

AUSTRIAN EXPORTS

Austria's performance in the export field received a setback last year after many years of steady growth. In this Report PAUL LENDVAI, Our Vienna Correspondent, analyses the importance of exports to the country's economy and looks at some of the efforts being made to increase the industry's share in world markets.

Time for a new drive

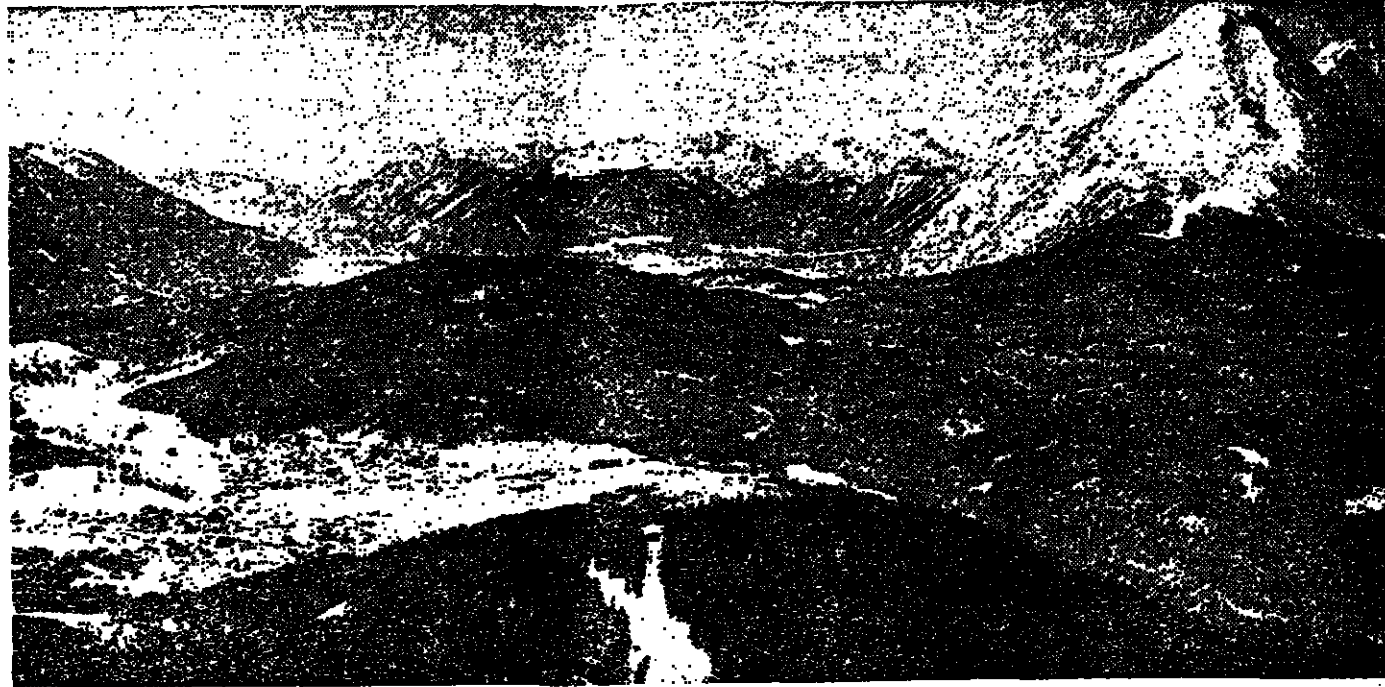
LAST YEAR was the most disappointing since the war for the Austrian economy in general and for exports in particular. To the Austrian public, accustomed to a 5 per cent annual growth rate during 1960-74, the 2.5 per cent decline of the GNP last year, came as a severe shock. The rude awakening from the longest boom cycle in post-war history was particularly painful for the respected Institute for Economic Research, whose economists had predicted a comfortable growth of 4 per cent or more so for the Government in election year.

A small land-locked country of some 7.5m. people, Austria is of course heavily dependent on the economic climate in Europe, and especially that in West Germany. A few key figures suffice to indicate the

degree of this dependence. About one third of the industrial output goes into exports, which in turn account for 22 per cent of GNP. In terms of goods and services, including the key sector of tourism, the export ratio rises to 36.6 per cent of total domestic output.

It must be remembered, however, that the per head exports of goods are still well below the comparable figures for other small industrialised countries such as Belgium, Sweden, Switzerland or Norway. There are a number of reasons for this: The loss of traditional markets in Eastern Europe coupled with a ten-year long, four-power occupation after the Second World War, the geographical location and the lack of access to the sea and the structure of industry and trade, which are dominated by small firms. Two-thirds of the 6,700 industrial plants have a production staff of less than 50, while only 240 factories employ more than 500 people. Although over 4,000 exporters are registered with the Federal Chamber of Economy, the 20 largest account for 33 per cent of exports.

Nevertheless Austrian exporters have so far been able to offset the disadvantages of their size in competition with large foreign companies through specialisation, quicker adaptation to changing market conditions and the unique system of foreign trade



A view of Seefeld, a popular skiing centre in the Tyrol. Tourism is still one of Austria's major money earners.

organisation, sketched out in an article on the facing page. The success story of exports is reflected in following statistics: between 1960 and 1974 the annual growth rate reached 13 per cent, well above the rate recorded for GNP. Between 1970 and 1974 the growth rate of exports per annum was 18.5 per cent, compared to 13.2 per

cent for the economy as a whole. Peak year was 1974 in which exporters broke all previous records, with sales abroad jumping by almost 31 per cent. In real terms the increase was about 12 per cent. But last year put an abrupt end to this impressive performance. Exports were down by 2.5 per cent, and in real terms by

almost 22 per cent to West Germany alone, much depends on the German economy this year. The Austrian Institute for Economic Research estimates that Austria's GNP will rise again this year, albeit only by 1.5 per cent, on the assumption that the German economy will increase its total output by 4 per cent, and the European OECD countries by 3 per cent. Furthermore a rise of 6 per cent for exports of goods and 7.5 per cent for goods and services was forecast in the review completed last December. Calculated in real terms, exports of goods and services would show a modest increase of 2.5 per cent, as against a fall of 6.5 per cent last year and a gain of 9.5 per cent in 1974.

Controversies over the optimum degree of export credit guarantees and preferential interest rates are affecting the existence of many small firms. The Socialist Government claims that the ceiling for export finance at preferential interest rates will be increased this year by Sch.10bn. (about £380m.).

However, spokesmen for the exporters regard the present system of export finance and credit guarantees as both costly and unsatisfactory. Herr Philipp Schoeller, chairman of the industry section at the Federal Chamber of Economy, pointed out this month that there were no signs yet of an increased influx of export orders and that the much-publicised measures announced by the Government at an economic conference in January will not bring any material advantages for the exporters. It is also stressed, for example, that interest rates for export credits, even after the latest measures, cost the firms 8.4-8.5 per cent per annum, in contrast to preferential rates of 7-7.5 per cent charged in other Western European countries.

On balance, however, experts and businessmen that the worst is over, the pace of the recovery uncertain. Provided the consensus remains for Chancellor Kreisky's Party, which for a second gained an absolute majority last year, does not embark on economic experiments, no reason to doubt the disappointing performance as an episode rather than a turning point in Austria's war economic success at even if an economic revival is produced in year, the time of record rates appears to have the foreseeable future.



Herr Rudolf Salla, President of the Federal Chamber of Economy.

per cent for small companies, including the facilities offered by the bank, amounted to 8 per cent of the export total, worth 133bn.

Offensive

Everybody agrees this with keen competition: a new round of export offensive is needed. Some six results have already achieved in the OPEC and also in Latin America, concentrated efforts Chamber of Economy Government. In contrast marked optimism displayed the Minister of Trade, taking a cautious attitude. Dr. Gleissner put it at the Vienna Spring of Trade 'export service' week, 1976 will be still cult year for Austrian since market shares probably maintained on cost of depressed export which in turn put a pressure on profit margins.

Stability

Given this international background, much will depend on the relative competitive position vis-à-vis Austria's most important trading partners. The long period of social and political stability, with one of the best strike records of any country and relative cost-price stability provided the basis for the export-led boom of the late 1960s and early 1970s. The high investment ratio of the last ten years or so has become a thing of the past, and there is no sign yet of an upswing in capital spending. Worse still, Austria is in danger of losing the ground it gained in terms of relative unit costs during the past decade, primarily until 1970. Last year unit costs are estimated to have risen by over 15 per cent, compared to an increase of 7 to 8 per cent in West Germany. Partly because the business cycle in Austria usually lags

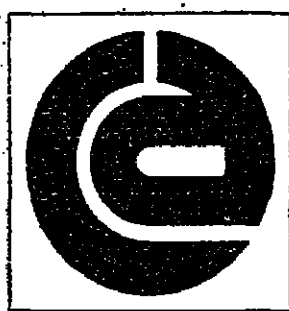
The director-general of Voith AG, a heavy engineering company, which exports 80 per cent of its output, complained in a recent article that unsatisfactory export finance arrangements pose a threat to the competitive position of Austrian exporters. He specifically mentioned the fact that since 1967 the volume of exports has trebled yet the Sch.3bn. ceiling for rediscount facilities at the National Bank, the central bank for bills of exchange has not been increased, except for a short-term increase by Sch.1bn. which is due to expire at the end of this year. According to the figures for 1974, export finance provided by the Kontrollbank (the main institution for export credit guarantees), the Exportfonds Ges.M.B. (providing short-term credits of up to Sch.3m. at an interest of 7.5



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AUSTRIAN EXPORTS II

East European potential

HALF A century ago the three neighbouring "successor States" of the Austro-Hungarian monarchy still dominated Austria's foreign trade. In those difficult years Czechoslovakia, Hungary and Yugoslavia at one point accounted for about 60 per cent. of Austrian exports. Despite the Communist takeover in Eastern Europe after the Second World War and the high degree of isolation from Austria during the worst periods of the cold war, the relaxation of East-West tensions soon revived interest in the re-forging of old links and reviving historical traditions.

The Comecon stake in economic co-operation lends, of course, a special importance to Vienna as a contact point for East-West trade. Thus more than 100 of the 300 U.S. companies represented by subsidiaries or branch offices use

Vienna as the base for their trade with Eastern Europe. It has just been reported, though not yet confirmed officially, that the Soviet Chamber of Trade intends to set up an office for the promotion of East-West trade in the Austrian capital, apparently paralleling the East-West Trade Centre set up by the U.S. Government in 1973.

After a temporary setback due to the switch from bilateral clearing to payments in convertible currencies, Austrian exports to Eastern Europe have begun to rise in the 1970s, with the Eastern share increasing from 11.8 per cent. in 1972 to 15.1 per cent. in 1974 and 17.1 per cent. last year. However, since "Eastern Europe" in the Austrian trade statistics comprises Albania, Bulgaria, Czechoslovakia, East Germany, Hungary, Mongolia, Poland, Romania and the Soviet Union, but not Yugoslavia, even this

figure is deceptive. If one adds the Yugoslav stake of 4.5 per cent., the Eastern Europe share reaches 21.6 per cent. of the Austrian exports total.

By contrast, however, the share of Eastern Europe in Austrian imports, even including Yugoslavia, amounts to only just over 11 per cent. This means that Austria usually has a comfortable surplus in visible trade: last year, for example, the combined surplus reached Sch.7.3bn., while the overall trade deficit, though down by 7 per cent. on 1974, still reached about Sch.22.5bn. At a time when exports in general dropped by 2 per cent., the 11 per cent. rise in sales to the Comecon countries was a bright spot. Exports to Yugoslavia, however, were down by 12 per cent.

Austria has been a pace-maker in moving towards industrial-technical co-operation based on joint ventures. So far about 140 co-operation projects have been concluded with the Communist states. Hungary alone accounts for 78 contracts, Yugoslavia for 24, the Soviet Union and Poland 12 each, Czechoslovakia 4. Such major Austrian companies as Voestalpine, the nationalised

Partner

Neutral and staunchly pro-Western, Austria is in many respects an ideal partner for the Communist neighbours since no one can accuse it of harbouring "revanchist" or "imperialist" plans. There is no doubt that Eastern trade is also advantageous for Austria, year after year.

Exports to Eastern Europe (excluding Yugoslavia) in 1975 were the most important markets, followed by the Soviet Union and Czechoslovakia. In terms of imports, however, the Soviet Union occupies the first place (mainly fuels and raw materials).

In January 1975 Austria introduced full liberalisation, eliminating all quantitative restrictions. Though this measure was evidently appreciated by the Eastern European trading partners, some officials at the annual trade talks complained about the application of "escape clauses." For about 150 tariff headings, automatic import licence is granted only after the invoice is stamped by the Trade or Agricultural Ministry. This protective measure is regarded by the Austrian side only as "an early warning system" applied in trade with Eastern European, certain Far Eastern countries and developing States which are not members of GATT. It is claimed that the Federal Chamber of Economy raises objections in only a very few cases.

Dr. Gleissner of the Chamber of Economy recently refuted the argument which is voiced from time to time by East European officials that high tariffs rather than lack of demand cause a fall in the exports of certain up of the five-year or annual plans to Austria. Further, he pointed out that the Communist undoubtedly a serious problem planning mechanism constitutes in East-West trade. Lack of con-



The Puch Grand Prix Supramoped, which costs £349 in the U.K.

Promotion schemes

ABOUT FIVE years ago the Federal Chamber of Economy invited Austrian exporters to participate at a trade exhibition in Brazil. The lack of interest often involved specialists in the "was such that the entire project had to be cancelled. To-day, however, three and a half years after the Chamber launched a campaign to tap this (by Johann Strauss, the king of the market, there are regular waiting lists for the economic missions sent to the Latin American countries. The trade statistics reflect the success of what may be called a model trade drive. In 1974 aggregate Austrian exports rose by 31 per cent.—to Latin America, however, by 83 per cent. Last year the exports total fell by 2 per cent., yet sales on the Latin American market were up by 11 per cent.

In the spring of 1972 the Federal Chamber's President, Herr Rudolf Sallinger, formally launched a trade campaign in the major Latin American capitals through forging personal contacts with cabinet members, prominent industrialists and bankers. Since then a series of economic missions, each comprising representatives of 25 to 50 important exporters, have paid visits to Brazil, Venezuela, Argentina, Mexico, Colombia, Ecuador, etc.

Change

The aim of the Latin America programme, planned for a five-year period, was to inform and to motivate the Austrian entrepreneurs to initiate a change in the structure of trade, placing the emphasis on equipment and machinery as well as on high quality metal and chemical products. Through trips organised in 1972 for prominent economic commentators, press and television coverage helped to engender interest. The Institute for Economic and Trade Promotion (one of the Chamber's "transmission belts") now provides for Austrian participation at two Latin American Fairs each year: every year in Lima and alternate years in El Salvador and Bogota. As a result of these efforts the number of firms engaged in licence deals or joint ventures rose from ten to 30 and the number of companies regularly doing business in and with Latin America jumped from 100 to 250 between 1971 and 1975.

The greatest prestige success for Austria was the international investment seminar, organised in Salzburg by the Brazilian Government, at which about 2,000 businessmen from all over the world participated. As a result of this long-term planning, it is estimated that orders for machinery and equipment to the tune of Sch.3.5bn. (almost £100m.) have been awarded to Austrian companies. One can only grasp the scope of this breakthrough for a small Central European country if it is recalled that in 1973, for example, the exports total to Latin America was only Sch.1.3bn. By 1975 the figure had more than doubled to Sch.2.6bn.

A new instrument for export promotion was tested with resounding success in Caracas last November. In addition to conventional trade promotion the Chamber of Economy began a few years ago to organise "technical-scientific weeks." Previously such weeks were held only in Eastern Europe. Such a week involves basically a series of lectures given by top Austrian specialists in selected fields. In the network of trade representatives has helped to organise during 1,365 fairs and exhibitions, including 33 overseas, in Austrian experts on new technologies participated.

The great advantage of the technical-scientific weeks lies in the direct and immediate contact between specialists and planning stage. The fact that over by an Austrian chief cook and the guests were greeted by a life sized sugar model of Vienna waltz, was merely a reminder that Austria had also other attractions to offer than serious industrial specialists.

The Latin America project has served as a model for a new trade campaign which began last autumn in Africa. Such original and skilfully assembled promotion programmes would, of course, be impossible without the unique system of export organisation, run and financed by the Federal Chamber of Economy. Austria's trade interests are represented by 140 well-trained and multilingual trade specialists, staffing 80 trade representative offices all over the world with 48 operating overseas. Only under special conditions such as those in Eastern Europe or certain developing countries do the trade representatives have diplomatic status, but even there they operate under the direct supervision of the Chamber. Austria has neither multinational concerns nor establish important subsidiaries abroad. It is the network of 80 trade offices which serves some 4,000 Austrian exporters, who can contact directly both the trade representatives abroad or the area desk officials in Vienna. They fulfil a variety of indispensable functions for small and medium-sized firms, from alerting them to sales opportunities to finding agents for them or giving advice about how to secure export credit guarantees.

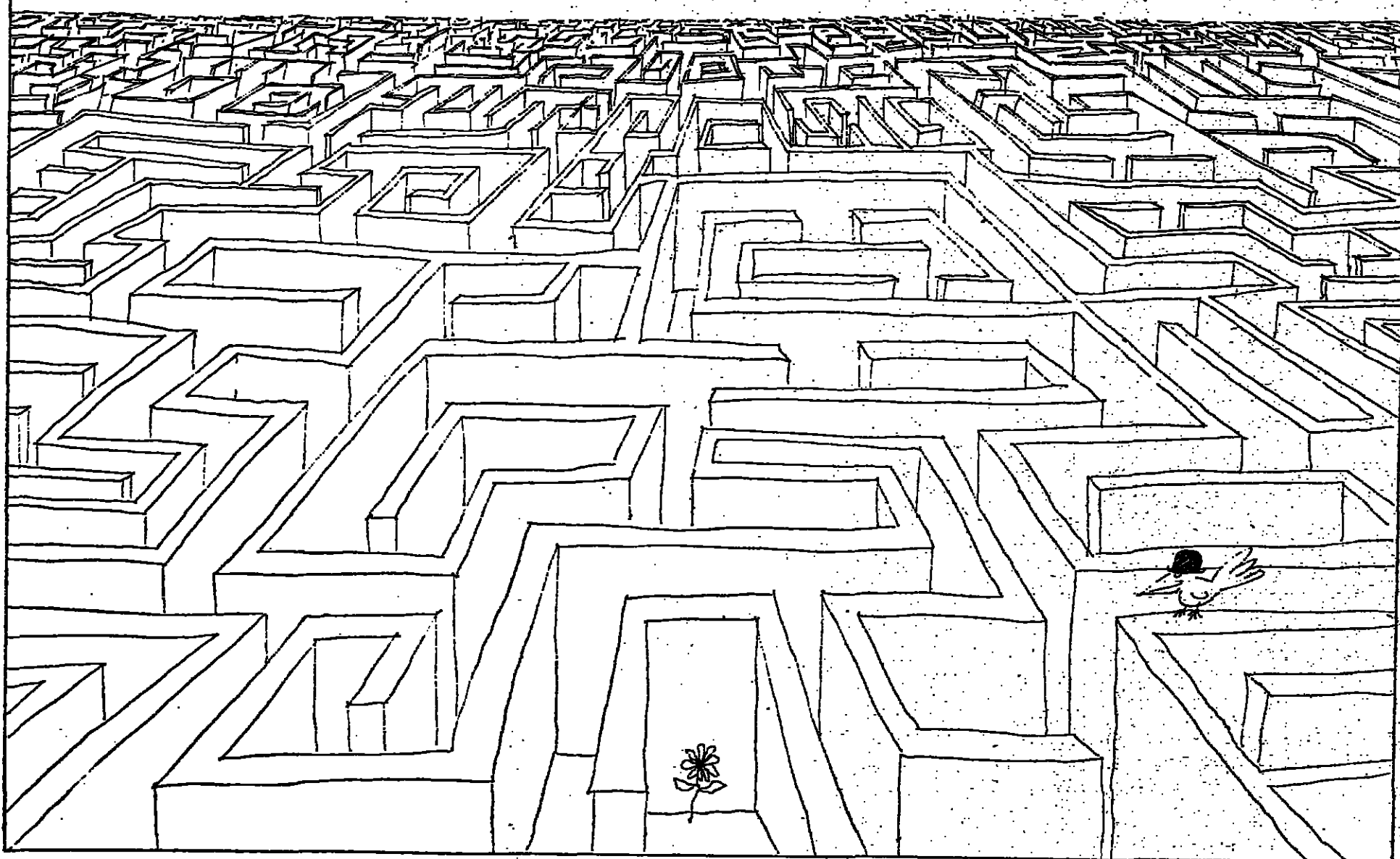
Every week 6,900 Austrian firms receive a weekly foreign trade news bulletin from the Chamber. If they express interest, they also receive free of charge regular market reports and studies, as well as a comprehensive, revised annually, giving essential information about 150 countries. In all, the Chamber dispatched last year over 100,000 copies of such special reports to businessmen and exporters. Some 10,000 copies of a useful foreign trade handbook of 370 pages was distributed in 1975.

Outlets

Without red tape and diplomatic protocol, the trade delegates act as representatives of the economy, as highly qualified service outlets for businessmen, and they can, of course, rely on the assistance of the Ministry of Trade when trade agreements are negotiated with the countries where they happen to be on duty. This year five economic missions and five round-table meetings with interested or potential buyers will be organised. In 1975 four such meetings were held: in Brussels, Amsterdam, Lyon, and

London. From fashion shows to foreign trade seminars and language courses, the Chamber offers a wide range of services. Last but not least the organisation of the business community has the constitutional right to express opinions on draft bills and serves as a link between Government and exporters. Since its establishment in 1946, the network of trade representatives has helped to organise during 1,365 fairs and exhibitions, including 33 overseas, in Austrian experts on new technologies participated.

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FARMING AND RAW MATERIALS

Norway bid to extend fishing limit

OSLO, March 16. A bill enabling Norway to extend its fishing limit to 200 miles will be presented to the Storting (Parliament) during the spring session, and could, if passed, be approved by the Labour Party and the Liberal Party.

The bill, which would extend the limit from 12 to 200 miles, is a senior official of the Ministry of Fisheries, Mr. Ole Frithjof Norheim, said.

The bill would also allow Norway to extend its limit to 200 miles in the North Atlantic, and to 100 miles in the Baltic Sea.

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USSR may buy more grain, says Ford

WASHINGTON, March 16. President Ford said the United States is confident that the USSR will buy more grain this year, reports from the State Department.

Mr. Ford said the USSR had bought 1.5 million tons of grain from the United States last year, and that it had bought 1.2 million tons in 1975.

He said the USSR had also bought 1.5 million tons of grain from the United States in 1976, and that it had bought 1.2 million tons in 1977.

Mr. Ford said the USSR had also bought 1.5 million tons of grain from the United States in 1976, and that it had bought 1.2 million tons in 1977.

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MBIA-BRAZIL UPPER TALKS

LUSAKA, March 16. The MBIA-Brazil Upper talks are continuing in Lusaka, Zambia, with the Ministry of Mines and Industry.

The talks are between the MBIA-Brazil Upper and the Ministry of Mines and Industry.

The talks are continuing in Lusaka, Zambia, with the Ministry of Mines and Industry.

EEC delays imported protein deposits plan

BY PETER BULLEN

THE EEC Commission has announced a last-minute postponement of the introduction of the compulsory deposit of protein for use in animal feed.

The Commission has decided to postpone the introduction of the compulsory deposit of protein for use in animal feed.

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Pig output warning by MLC

BY OUR COMMODITIES STAFF

PIG PRODUCERS should continue making reasonable returns over the next 18 months, provided production is not expanded too rapidly, the Meat and Livestock Commission (MLC) has warned.

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Intervention boosts beef prices

BY JOHN CHERINGTON, AGRICULTURE CORRESPONDENT

IN SPITE of increased numbers on offer—up nearly 30 per cent in the U.K.—beef cattle prices yesterday continued the strong tendency they have displayed over the last month or so.

The reason is quite certain, the intervention in the beef price support scheme, and the introduction of a higher level of intervention buying support in both the U.K. and Ireland.

The intervention in the beef price support scheme, and the introduction of a higher level of intervention buying support in both the U.K. and Ireland.

problem of a different kind. There is no national or international emergency involved. The problems exist because of bureaucratic bungling.

The industry would comply with the requirements of the scheme which was supported in law by the EEC. The industry would comply with the requirements of the scheme which was supported in law by the EEC.

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Beef supplies—which dominate the U.K. meat market—will fall by 200,000 tons or 17 per cent in 1976, the MLC says. The MLC says that much depends on the weather, but that production overall could be about 7 per cent down following a drop in ewe numbers of 2 per cent.

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Commodity markets unsettled

By John Edwards

THE FALL in the value of sterling, following the surprise resignation announcement of Mr. Harold Wilson as Prime Minister, unsettled the London commodity markets yesterday.

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LONDON TEA TALKS

International pact still remote

BY A CORRESPONDENT

AN INTERNATIONAL tea agreement still seems an exceedingly remote possibility judging by the lack of results at last week's talks in London between Commonwealth tea producers.

The main purpose of the talks was to initiate a proposal for an international tea agreement, but the gap between the Asian and African producers remained as wide as it has been since 1965 when the idea of a world pact was first mooted.

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Kenya expects record coffee harvest

By Our Own Correspondent

NAIROBI, March 16. Kenya is expecting a record coffee harvest this year to earn more than £400m. (£50m.) in foreign exchange, said Mr. Mwigi, an Assistant Minister of Agriculture, at a coffee seminar, reports Reuters.

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Expansion

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COMMODITY MARKET REPORTS AND PRICES

BASE METALS

Commodity	Unit	Price
Aluminium	100 lb	12.50
Copper	100 lb	11.50
Lead	100 lb	10.50
Nickel	100 lb	15.50
Silver	100 lb	18.50
Zinc	100 lb	12.50

COMPANY NOTICES

NOTICE TO MEMBERS of the company is hereby given that the annual general meeting of the company will be held on the 15th day of April 1976 at 10.00 a.m. at the company's registered office.

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CONTRACT HIRE JDAVY. London, Liverpool, Manchester, Glasgow.

CONTRACT HIRE JDAVY. London, Liverpool, Manchester, Glasgow.

CONTRACT HIRE JDAVY. London, Liverpool, Manchester, Glasgow.

COCOA

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COFFEE

Commodity	Unit	Price
Arabica	100 lb	1.50
Robusta	100 lb	1.20

RUBBER

Commodity	Unit	Price
Latex	100 lb	1.50
Sheet	100 lb	1.20

SILVER

Commodity	Unit	Price
Silver	100 lb	18.50

GRAINS

Commodity	Unit	Price
Wheat	100 lb	1.50
Barley	100 lb	1.20

COCOA

Commodity	Unit	Price
Cocoa	100 lb	1.50

COCOA

Commodity	Unit	Price
Cocoa	100 lb	1.50

COCOA

Commodity	Unit	Price
Cocoa	100 lb	1.50

SOYABEAN MEAL

Commodity	Unit	Price
Soyabean meal	100 lb	1.50

SUGAR

Commodity	Unit	Price
Sugar	100 lb	1.50

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Commodity	Unit	Price
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PRICE CHANGES

Commodity	Unit	Price
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Copper	100 lb	11.50

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Metals and cotton fall, sugar up

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Widespread and sharp falls on Premier's resignation

Share index 10.2 off at 400.0—Losses to 1½ in Gilts

5.05	5.05	5.01	5.05
14.63	14.51	14.45	14.52
10.08	10.12	10.15	10.09
2.444	7.572	7.521	7.452
63.56	83.82	65.14	62.702
8.552	20.168	19.025	15.422

Noon 452.1 p.m. 399.1
 3 p.m. 394.5

Amplification	March 15
Low	
49.18	
(51/73)	
50.63	
(51/73)	
49.4	
26.640	
Daily	156.9
Glt. Edged	255.7
Incubated	75.8
Summative	171.9
Totals	
D-day AVE	152.1
Glt. Edged	

44.5	Speculative	75.5
29/10/71	Total	167.5

Industries Assistance Co has recommended wide tax changes in favour of oil and petroleum companies.

Among Urulums, 1 mental rose 1 to 21 Peke-Walsh put on 1070, high of 5500. Mining gained 4 to 1720, for 1975-76 were also at MIM Holdings which r 2450 and Australian M&M Holdings which landed.

Despite a fall in the price of \$125 to \$11 ounce, South African Gold gained ground for 1 successful trading day. I reflected the higher is premium and the taint surrounding int currencies.

Foreign bond

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

Cape buying left 1
firmer with Potomac
higher at 145p. Copp
quietly firm, as were TI
Elsewhere, Westfield
removed erratically betw
and 175p on considerati
Alaska drill results befo
marginally easier on th

172p.
"Tanks" fell 4 to
company has a 17.6
stake in Union Mine
expects to reduce
dividend.

PAGE FIVE

BASE LEND RATES

Allied Irish Banks I
American Express B:
Anglo-Portuguese B:
Henry Ansbacher
Banco de Bilbao
Banco de Jerez
Bank of Cyprus
Bank of N.S.W.

- Banque du Rhone S
- Barclays Bank
- Barnett, Christie Ltd
- Bremar Holdings L
- Brit. Bank of Mid E
- Brown Shipley
- Canada Permanent
- Ceyzer, Bowater Co L
- Cedar Holdings
- Charterhouse Japhet

C. E. Coates
Consolidated Credit
Co-operative Bank
Corinthian Securitie
Credit Lyonnais
G. R. Dawes
Duboff Brothers
Duncan Lawrie
English Transcont.
First London Secs.
Anthony Gibbs

Goode Durrant Tru
Greyhound Guarant
Grindlays Bank
Guinness Mahon
Hambros Bank
Hawtin & Partners
Hill Samuel
C. Hoare & Co.
Julian S. Hodge
Industrial Bank of S

Keyser Uhlmann
 Knowles & Co. Ltd.
 Lloyds Bank
 London & European
 London Mercantile Co.
 Midland Bank
 Samuel Montagu
 Morcan Grenfell
 National Westminster
 Northern Comm. T.
 Norwich General T.

Portman Guaranty
P. S. Refson & Co.
Roxminster Aceco
Schlesinger Limited
F. S. Schwab
Security Trust Co.
Shenley Trust
Standard Charters
Thames Guaranty
Trade Development
Twentieth Century

**United Bank of Ku
Whiteaway Laidlaw
Williams & Glyn
Yorkshire Bank**

**Members of the Acc.
Committee.**

7-day deposits 5½%; 1-m
5½%.

7-day deposits on sums
under 50% up to £25,000 5½%
over £25,000 5½%.

Demand deposit 7%
Call deposits over £1.00

CORAL INDI
Close 393.40

L.G. INDEX

GOLD 131-13

INSURANCE RATES

Atlantic Assurance
Cannon Assurance

Figures added this
 Property Bond table.

AUTHORISED UNIT TRUSTS

Bridge-Tollman Fd. Mgrs. (a)(c) 54, Atlantic Ave. E.C.C. 01-6234531 ST Income 1979 208 1 7.5 ST Div 1979 208 1 7.5 Capital Gain 1979 208 1 7.5 Capital Loss 1979 208 1 7.5 High Income 1979 208 1 7.5 Income Fund 1979 208 1 7.5 ST Income 1979 208 1 7.5 ST Div 1979 208 1 7.5 Capital Gain 1979 208 1 7.5 Capital Loss 1979 208 1 7.5 High Income 1979 208 1 7.5 Income Fund 1979 208 1 7.5 ST Income 1979 208 1 7.5 ST Div 1979 208 1 7.5 Capital Gain 1979 208 1 7.5 Capital Loss 1979 208 1 7.5 High Income 1979 208 1 7.5 Income Fund 1979 208 1 7.5 ST Income 1979 208 1 7.5 ST Div 1979 208 1 7.5 Capital Gain 1979 208 1 7.5 Capital Loss 1979 208 1 7.5 High Income 1979 208 1 7.5 Income Fund 1979 208 1 7.5 ST Income 1979 208 1 7.5 ST Div 1979 208 1 7.5 Capital Gain 1979 208 1 7.5 Capital Loss 1979 208 1 7.5 High Income 1979 208 1 7.5 Income Fund 1979 208 1 7.5 ST Income 1979 208 1 7.5 ST Div 1979 208 1 7.5 Capital Gain 1979 208 1 7.5 Capital Loss 1979 208 1 7.5 High Income 1979 208 1 7.5 Income Fund 1979 208 1 7.5 ST Income 1979 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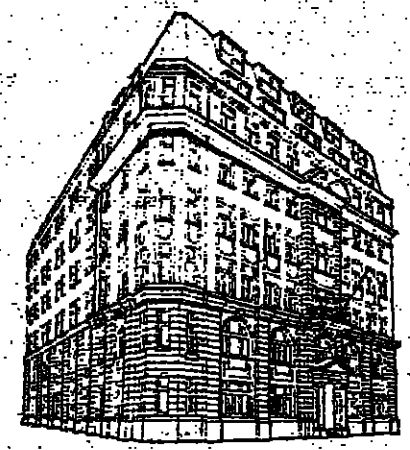
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FINANCE

FINANCE

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British Leyland breaks even over past five months

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT

AFTER ITS record £125m. loss last year, British Leyland has broken even over the last five months.

The company, announced to shareholders in London yesterday at a notably more peaceful annual meeting than last year's, was mainly due to improvements in car production during January and February.

But the recovery is currently threatened by the state of labour disputes which has hit production in 12 plants. These have thrown the car group off course in its programme of gradually building up output and productivity and Sir Robert Clark, acting chairman, made it clear in his statement yesterday that the main problems, as last year, remain in the low level of car production.

Profitable

The truck and bus group, he said, had been trading profitably despite a fall in demand and the special-products group was expected to improve on its £6m. profits of last year. The international group had also made a "good start" following the

elimination of losses in Spain and Australia.

Uncertainty over performance of the car group seems to have been one of the major factors behind Sir Robert's refusal to make a forecast for the rest of the year.

It has also caused the company to push back its timetable for taking up the next £100m. of Government loan finance, due in June, to the autumn. The car group froze its capital investment programme last year for four months up to the end of March and now appears to be reluctant to take of the brakes until it sees further signs of improvement.

Despite the Board's caution, however, the scant figures given yesterday indicate a significant turnaround in its financial situation.

Last year, the pre-interest trading loss amounted to £38m., which rose to £78m. before tax after interest charges were added. But, according to Sir Robert yesterday, the break-even point over the last five months has been achieved even allowing for the interest charges—although this is clearly smaller this year.

Following the replacement of Robert said the two main priorities were an improvement in the quality of finished products and in manufacturing efficiencies. In both these areas the company accepts that it has fallen behind the rest of the world industry and Mr. Alex Park, the chief executive, pledged yesterday that the management was "determined to put the company back to where it should be."

No one was willing to forecast yesterday when that would be and Sir Robert was extremely cautious when asked to predict a time for the next dividend payment.

The company's 108,000 small shareholders would have to wait for a considerable period.

But he assured the shareholders that British Leyland valued its status as a public company and that although the Board recognised the special status of the National Enterprise Board (which will hold 95 per cent. of the equity), responsibility for day-to-day running of the business remained with the company.

Labour news Page 10

Tarmac to build Suez tunnel

By Michael Cassell, Building Correspondent

A CONTRACT for the construction of a road tunnel under the Suez Canal, which could eventually provide work worth over £50m., has been won by Tarmac, the U.K. civil engineering group, and an Egyptian partner.

The contract, itself worth £30m., was signed last week after negotiations lasting a year and was won by the British-Egyptian joint venture in the face of competition from contractors throughout Europe and Japan.

Tarmac's partner will be the Arab Contractors (Osman Ahmed Osman), the State-owned civil engineering group.

Since the death of President Nasser, Egypt has almost been a closed market for international contractors. The last major building contract won by a non-Egyptian contractor went to Russia for the construction of the Aswan High Dam and Tarmac's success could once again open up a valuable market.

Work will be carried out by Tarmac Overseas, a member of the Tarmac group's International Division. Mr. W. Pascoe, a director of the division who was a signatory to the contract, described the deal as "a major breakthrough" for British contractors.

"This is the first big construction contract to go outside Egypt for many years and we are immensely pleased with the achievement. Egypt represents a massive market for the international contracting business and, as a result of our success, consultants and contractors from the U.K. must now be very well placed to capitalise on the opportunities which may now open up to them."

Mr. Pascoe said that although the contract now signed was valued at £30m., it was likely that all the ancillary work involved, such as the routing of roads and railways, would push its ultimate value well above £50m. He said that the Egyptians had considered several methods of bridging the canal, including various types of bridges and tunnels. The company's experience in soft ground tunnelling had been a major advantage in finally winning the work.

The concrete-lined, bored tunnel, which will be the first under the Suez, will be just over two kilometres long and will be known as the Ahmed Hamdi Tunnel. It will pass under the canal north of Port Suez and at its deepest point will be 50 metres beneath the canal's present water level. It has been designed so that the canal can be made deeper at a later date. Initial work is already underway and completion is planned for 1979.

Sir William Halcrow and Partners, the London consulting engineers, have been retained for the tunnel's design.

THE LEX COLUMN

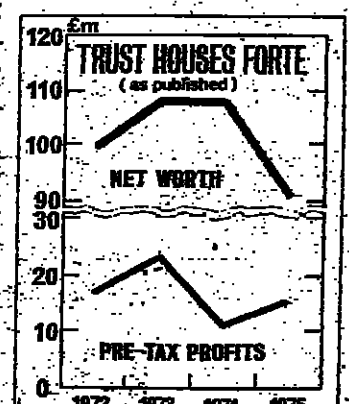
Questions raised by THF rights

The securities markets had nowhere to go but down on yesterday's wholly unexpected political news, and it would be unwise to read much into the subsequent price movements in what seemed to be relatively quiet trading conditions. For what it is worth, gilts and equities were edging higher towards the close. And with street rates for money as low as they are at present, with over-night money returning under 7 per cent, the penalty for jumping into the cash market is high. By the same token, the yield curve at the short end of gilts is now looking unsustainably steep, reflecting fears that the authorities might be panicked into slamming up M.L.R. But once the shock of Mr. Wilson's departure has worn off this may come to seem less likely.

Index fell 10.2 to 400.0

writers, the cost in terms of dividends of dispensing with their services by means of a deeper discount could have been distinctly embarrassing.

For the main message of the report is that last year's published profits rise from £11.3m. to £15.6m. before tax needs to



be taken with a sackful of salt. The latest figures include £2.5m. of currency gains on conversion of overseas net assets, but exclude a £5m. provision on un-matched currency loans which has been taken below the line. Also excluded are sizeable losses at Thomas Cook, which is no longer being treated as an associate: this investment has been written down by £300,000 below the line. Finally, it should be noted that the un-amortised balance of pre-opening and development expenses rose by 15 per cent over the year. If the £5.3m. provisions are charged against earnings, last year's dividend is less than 25 per cent covered. See also Page 18.

Tricentral

Although Tricentral is expected to see its published earnings of £5m. in 1974, and the recovery by the Thistle field in 1977—production is due to begin next March—it will not see any net cash flow from the project until the end of 1977. Un-der the terms of the agreement, the company will find cash in the meantime to pay dividends and finance its £14m. annual exploration commitments outside the Thistle field. This may explain why the times by trading earnings around £20,000 to the under-

net present value which may be around 300p a share for Thistle alone.

If the Thistle platform can be installed this summer, all Tricentral's borrowings under its £60m. syndicated facility finalised yesterday could be repaid within three years. Even if the project misses this summer's weather "window" the Government's guarantee is unlikely to cost more than the minimum 5 per cent special royalty. Any longer delays or cost problems could lead to a greater charge. But in any event the Government and the banks will have no recourse to Tricentral itself, which removes the worst of the risks while leaving most of the potential reward intact.

BICC

Having underperformed the market for at least 12 months, BICC only eased up to 125p yesterday. There was no right issue announcement which is what most outsiders were putting their money on—but then a profits decline of 18 per cent to £32.2m. pre-tax is not the most impressive base from which to tap shareholders for new money, especially when the dividend is unchanged and noticeably uncovered after extraordinary items of £9.6m.

Meanwhile, the earnings story is clearly gloomy. At the pre-tax level an extra £2.8m. of depreciation has exaggerated the setback and most of the downturn occurred in the second half. But exchange gains clipped in £14m. while a charge for U.K. tax paid to a sharp decline in profitability at home. Net attributable profits in the U.K. fell from £6.3m. to £3.3m. while the overseas contribution to total earnings rose from 52 per cent to 72 per cent, in spite of a 15 per cent absolute decline. In the U.K. the metals side broke even, against pre-interest profits of £5m. in 1974, and the recovery by the Thistle field in 1977—production is due to begin next March—it will not see any net cash flow from the project until the end of 1977. Un-der the terms of the agreement, the company will find cash in the meantime to pay dividends and finance its £14m. annual exploration commitments outside the Thistle field. This may explain why the times by trading earnings around £20,000 to the under-

Boost for Felixstowe merger plan

By John Wyles, Shipping Correspondent

A POTENTIAL obstacle to European Ferries' bid to take over Felixstowe Docks was removed yesterday when Mrs. Shirley Williams, Secretary for Prices and Consumer Protection, announced that she had decided against referring the proposed merger to the Monopolies Commission.

Her decision came on the eve of the closing date for Felixstowe shareholder acceptance of the £6.5m. offer. European Ferries is now almost certain to extend to-day's 3 p.m. deadline in view of the pattern of voting so far.

Mr. Keith Wickenden, the company's chairman, said last night that he was "very happy" with the level of acceptance and would today be revealing details of the voting far.

Confident that Felixstowe shareholders will vote in its favour, European Ferries is now concentrating on trying to defeat the private Parliamentary Bill empowering the State-owned British Transport Docks Board to take over the private dock company.

The Bill was introduced after Felixstowe's directors and shareholders had accepted a £5.4m. offer last December.

The House of Commons' standing orders committee will today give judgment on a European Ferries claim that Felixstowe's extraordinary annual general meeting in December breached the House's regulations by not registering a separate vote in favour of the Bill.

If today's decision goes against European Ferries, then the Government will have to wait until the next Parliamentary time for a Second Reading debate on the Bill because it had so far been denied a formal Second Reading by Conservative opposition.

Such a debate is likely to feature a full-scale political row over the merits of private versus public ownership of Britain's most successful docks company. The Government would not apply its Whip because the Bill is a private one. But it would almost certainly exert behind-the-scenes pressure on Labour MPs to support the Bill.

Ford threatens quotas on special steel imports

BY DAVID BELL

WASHINGTON, March 16.

IN A DECISION which may revive fears about U.S. protectionism, President Ford today used his powers under the 1974 Act, ruled earlier this year, and has threatened to impose quotas on the import of special steel unless major exporters voluntarily agree to limit their shipments to the U.S. within 90 days.

The U.S. International Trade Commission, set up under the 1974 Act, ruled earlier this year that imports of special steels had seriously damaged the U.S. special steel industry and recommended that quotas should be imposed.

The President, in effect, confirmed this ruling today, but urged the three major exporting groups—Japan, the EEC and Sweden—to negotiate a "voluntary" agreement to limit their shipments to the U.S. within 90 days.

The definition of this, and the precise amounts which could be exported under such an agreement by Britain and the other countries involved, has been deliberately left vague, pending the negotiations. The EEC, Japan and Sweden have already agreed to limit their exports to the U.S. but they have not yet said whether they are prepared to negotiate an agreement of this kind.

Announcing the President's decision this afternoon, Mr. Frederick Dent, the special representative for trade negotiations, said that the decision did not represent a basic change in U.S. policy and that it had been taken only because of the unusual circumstances surrounding the special steel industry, whose survival was vital to U.S. industry, the energy programme and the nation's defence. He pointed out that special steel accounts for only 1.5 per cent of total U.S. steel consumption.

Mr. Ford has been under intense pressure in recent weeks from American steel companies and unions to agree to quotas, but both groups declined to comment until they have studied the ruling more closely. In spite of Mr. Dent's assurances, however, the ruling is likely to be taken in Japan and Europe as a clear sign of the strength of protectionist forces within the U.S. and as an indication that the present round of trade talks in Geneva may still have a long way to go.

A case involving shoe imports, which had some similarities to the steel case, must be decided by the end of next month. In an effort to allay some of the fears about protectionism, Mr. Dent said that the U.S. has asked the Organisation for Economic Cooperation and Development to discuss the problems of the special steel industry and has also notified General Agreement on Tariffs and Trade. Meanwhile, Mr. Dent said, the President had asked him to "negotiate on a sectoral basis solutions to the problems of cyclical distortions in the steel trade while liberalising the conditions of this trade."

Mr. Dent said that the Administration hoped that all exporters would agree to voluntary limits, but that if a minority refused to do so, the Government would impose compulsory quotas on them. The Trade Commission recommended that an overall quota of 147,000 tons as opposed to actual imports last year of 153,000 tons.

Under the 1974 Act, which lays down rigorous guidelines in cases such as this, Congress still has 90 congressional working days to override the President's decision and impose quotas. But Mr. Dent said there had already been detailed discussions with Congress and it was unlikely that it would seek to use this power at least until after the Administration has tried to reach agreement on voluntary quotas.

Output may be emerging from trough

BY WILLIAM KEEGAN, ECONOMICS CORRESPONDENT

INDUSTRIAL PRODUCTION in the U.K. is almost certainly emerging from the trough of the recession, but the figures have yet to show up fully in official statistics.

According to new figures by the Central Statistical Office yesterday there was no change in industrial output from the three-month period August-October to that of November-January.

But from December to January the index rose by about 1 per cent, from 98.8 to 99.7 (base 1970 = 100)—and there are good grounds for believing this understates the extent of the recovery.

For one thing, the "production" index is largely based on companies' reports of deliveries, so that it lags behind crucial turning points in the economy. Secondly, Whitehall statisticians treat what, while economic cycle—namely that they can keep abreast of current things, the official seasonal adjustment process is becoming progressively out of date owing to changing holiday patterns. There were probably more factories closed for holidays around the New Year than the figures allow for, and the underlying change in output has almost certainly been underestimated.

This is an interpretation which gains added strength from the up-to-date assessments of recent trends in production available from the Confederation of British Industry and other market sources.

As it is, the detailed breakdown of the production figures already shows what one might expect at this stage of the cycle—namely that the leading indicators such as new orders and production are already turning up sharply.

On a three-month comparison the chemical sector increased its output by 24 per cent (August-October to November-January). There was also a 4 per cent rise in mining and quarrying output, reflecting an increasing North Sea output, and a 21 per cent increase in the output of public utilities.

Most of the figures for the last 12 months have been revised downwards somewhat in the light of new information.

INDUSTRIAL PRODUCTION

1970 = 100			
Seasonally adjusted			
	All	Manuf.	Total
1974 2nd	107.6	107.6	107.6
3rd	107.9	107.9	107.9
4th	104.7	104.7	104.7
1975 1st	104.4	104.4	104.4
2nd	99.8	99.8	99.8
3rd	99.5	99.5	99.5
4th	99.8	99.8	99.8
Aug.	98.5	98.5	98.5
Sept.	100.0	100.0	100.0
Oct.	100.2	100.2	100.2
Nov.	100.2	100.2	100.2
Dec.	98.8	98.8	98.8
1976 Jan.	99.7	99.7	99.7

Weather

U.K. TO-DAY
RAIN, with snow over high ground. Clearer in S.W. and N. Ireland later. Cold.
London Area, S.E. England, Rain, Windy, variable and light. Cold. Max. 7C (45F).
E. Anglia, E. Midlands, N.W. and Cent. England, Cloudy, rain or sleet. Winds E. moderate or fresh. Cold. Max. 5C (41F).
Cent. S. and N.W. England, W. Midlands, Wales, Lakes, I. of Man, S.W. Scotland, Argyll, Rain, some snow. Hill fog. Winds S.E. moderate or fresh becoming variable later. Cold. Max. 7C (45F).

Channel Is., S.W. England
Rain, brighter later. Winds variable moderate becoming W. Max. 10C (50F).
N.E. England, Borders, Glasgow, Edinburgh, Dundee, Aberdeen and Moray Firth
Cent. Highlands, N.W. and N.E. Scotland, Orkney, Shetland, Cloudy, rain or sleet, snow on high ground. Winds S.E., fresh or strong. Cold. Max. 4C (39F).
N. Ireland
Rain, clearing later. Winds S.E. moderate or fresh veering W. and decreasing, light or moderate. Max. 9C (48F).
Outlook: Little general change. Lighting-up: London 18.37, Manchester 18.46, Glasgow 18.54, Belfast 19.01.

BUSINESS CENTRES

	Y'day	Mid-day	Y'day	Mid-day	
	°C	°F	°C	°F	
Alexandria	21	70	Madrid	15	59
Amsterdam	10	50	Manch.	25	77
Antwerp	14	57	Medan	28	82
Batavia	28	82	Montevideo	15	59
Beirut	17	63	Moscow	10	50
Bombay	28	82	Nairobi	25	77
Buenos Aires	12	54	San Jose	25	77
Canton	15	59	Singapore	28	82
Cebu	28	82	Sourabaya	28	82
Colon	28	82	Taipei	25	77
Hankow	15	59	Tokyo	15	59
Hong Kong	25	77	Yokohama	15	59
London	10	50			
Luxembourg	10	50			

HOLIDAY RESORTS

	Y'day	Mid-day	Y'day	Mid-day	
	°C	°F	°C	°F	
Alicante	18	64	Jersey	10	50
Algarve	18	64	London	10	50
Amalfi	18	64	Lyons	10	50
Antibes	18	64	Madrid	15	59
Batavia	28	82	Manch.	25	77
Bombay	28	82	Medan	28	82
Buenos Aires	12	54	Montevideo	15	59
Canton	15	59	Moscow	10	50
Cebu	28	82	Nairobi	25	77
Colon	28	82	San Jose	25	77
Hankow	15	59	Singapore	28	82
Hong Kong	25	77	Sourabaya	28	82
London	10	50	Taipei	25	77
Luxembourg	10	50	Tokyo	15	59
			Yokohama	15	59

Sunny F-Fair, C-Cloudy, R-Rain,
Sket Dr-Drizzle, Th-Thunderstorm
G-Snow
22-23-24-25-26-27-28-29-30-31

Snow Reports Page 22

Continued from Page 1

Wilson: 13 years is enough

He added: "There are no impending problems or difficulties—economic or political—known to the Cabinet which are not known to the country."

"I am certain the new administration will assert the same determination and dedication in our counter-inflation policies in this country as we have unhesitatingly shown to the world."

"Equally I am totally convinced that no conceivable reconstruction of the Cabinet could in any way lead to a weakening of our resolve to fulfil in full measure our commitment to our allies and partners overseas."

Assurances

But in spite of these assurances, the new Prime Minister must have to take office only the day before the Government's crucial Budget, and Conservatives were critical of the effects of the coming weeks of uncertainty on sterling.

Mr. Wilson goes, however, with a characteristic flourish—bringing to an end a controversial and often exhilarating chapter in British political history.

His record is almost without parallel—he has led the Labour Party for 13 years, won four general elections and served as Premier for nearly eight years.

Sparkling with wit and good humour in the Commons yesterday—"I'm as fit as a flea"—he earned a generous reception from opponents and colleagues.

Statement

The Cabinet, in a statement later, said it had learned with "deep regret" of the wholly unexpected message which the Prime Minister had earlier conveyed to the Queen. "They would have wished it otherwise," said the Ministers. "They must respect what he has described as a personal and irrevocable decision."

The Prime Minister has carried the burdens of leadership with outstanding wisdom and dedication.

Why let London office costs strangle you?



Rents are high, rates are rising, staff turnover is high and morale low, and no one can measure the strain of commuting and congestion. If your company is suffering and doesn't really need its whole office in London, why not talk to LOB—the Location of Offices Bureau?

LOB is the best place to go for professional advice on moving office jobs out of London. We have more useful facts than anyone else. We have helped with some 140,000 job moves since we were set up by Parliament 12 years ago. We have details of more than 20 million square feet of office space available at fractions of London prices; facts about planning permission, Government assistance, availability of housing and new staff—anything you need to know.

Not everyone wants to—or should—move their offices out of London. Some operations may be more suited to decentralisation than others: accounts, computer, records and personnel, for example. Since our advice is free, ring Len Gilliver or Patrick Macconchy, our Senior Location Officers, on 01-405 2921 and start finding out just how much you could save. It could be up to £2600 a year per employee.

27 Chancery Lane, London WC2A 1NS. Telephone: 01-405 2921.

LOCATION OF OFFICES BUREAU

Set up by Parliament to give free advice on moving office jobs out of London.

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